

Democracy, Good Governance and Development: Bangladesh Perspective

ASM Rejaul Hassan Karim Bakshi
Department of Economics, Rajshahi University, Bangladesh

Abstract: Democracy, good governance and development are all interrelated. Democratic environment is as essential to good governance as it plays role in sustainable development. Bangladesh is a young developing country in the adventure of democracy. Limited resources, ever increasing population along with corruption and social unrest lead its economic development in threat of a great challenge. In this study good governance and institutionalization of democracy is argued from different corner to lead the country in proper direction. In this study attempt is made to present the theoretical structure of the inter-relationships between democracy, good governance and development. It is found that democratic environment helps to nurture good governance and development and in reverse lower income is no longer any obstacle to democracy and good governance. Study of developed and developing countries has been done to present the link between good governance, democracy and development. Attempt is made to identify the obstacles of good governance in Bangladesh and finally policy recommendations are made in light of the results of the study.

Key words: Democracy, good governance, development

INTRODUCTION

Good governance is perhaps the single most important factor in eradicating poverty and promoting development -UN Secretary General Kofi Annan.

Around the world, more people are recognizing that governance matters for development that institutions, rules and political processes play a big role in whether economies grow, whether children go to school, whether human development moves forward or back. So, promoting human development is not just a social economic and technological challenge: it is also an institutional and political challenge. Accompanying this new consensus is growing that many persistent development problems reflect failures of governance. Studies in a range of countries and regions hold weak governance responsible for persistent poverty and lagging development. The governance crisis is evident in widespread corruption, inefficient public services and a host of other failures. These studies have also shown what poor governance means for ordinary citizens- schools without teachers, courts without justice, local bureaucrats demanding bribes at every turn. Especially since ineffective institutions usually cause the most harm to poor and vulnerable people. What does it mean to promote good governance? There is no single answer. But much of the recent debate has focused on what makes institutions and rules more effective, including transparency, participation, responsiveness, accountability and the rule of law. All are important for human development. Because with the effective presence of institutional arrangements and practices

transparency-accountability-participation and above all ensuring rule of law could be appeared to be significant in development of any society.

In this study attempt has been made to show between democracy, good governance and development. The general objective of the study is to analyze the good governance-development relationship and to suggest policy guideline for Bangladesh thereby. The specific objectives of this study are:

- To study the relationship between democracy, good governance and development
- To study the presence of democracy, governance and development in Bangladesh
- To identify the obstacles in attaining democracy, good governance and development in Bangladesh, and
- To suggest policy guideline ensuring good governance and democracy for sustainable development of the country.

Data collection and methodology of the study: For this study data and statistics have been collected from various intermediate sources like World Bank, World Development Reports, World Development Indicators, Human Development Reports, Bangladesh Economic Review etc. Appropriate statistical tools have been used to analyze data attaining reliability, purposiveness and meaningfulness of the study.

Democracy, good governance and development: In today's world it is carefully noted that there should a

positive relationship be expected between democracy and economic growth. Does it bear the message that richer countries be more likely to be democratic one? Some researchers argue that democracies are better guarantors of property rights than non-democracies^[1] and that enforcing property rights and contracts is essential for investment and growth. Democracies also appear to be better at managing and consolidating economic reforms, because democracies are better at winning the support of groups that lose out from reforms^[2].

But there is little consensus on these points because there are also arguments that democracy is bad for growth. Take the claim that dictators are less open to pressure from self-interested pressure groups and so are better able, should they so choose, to focus on the nation's well being. Empirical studies of democracy and growth are equally inconclusive. Borner *et al.*^[3] found that Three empirical studies identified a positive association between democracy and growth, 3 identified a negative association and Ten no conclusive relationship. In another influential study Barro^[4] tested a non-linear relationship and found that at low levels of democracy, more democracy is better for growth but at high levels, more democracy is harmful to growth. Other studies also finds conflicting effects. According to Tavares and Waczairg^[5] democracy increases human capital accumulation and lowers income inequality, increasing growth- but it also lowers physical capital accumulation and raises government consumption, lowering growth. One striking finding: fertility rates are significantly lower in democracies at all income levels, and they go up and down as countries transition between dictatorships and democracies. This has strong implications for women's well being. Przeworski *et al.*^[6] find, it also means that even if democracy has no effect on aggregate GDP growth, it may affect per capita GDP growth.

Another robust finding is that while the economic performance of dictatorships varies from terrible to excellent, democracies tend to cluster in the middle. The fastest growing countries have typically been dictatorships, but no democracy has ever performed as badly as the worst dictatorships Przeworski, et al.,^[6].

The same is true for poverty reduction^[7]. Thus democracy appears to prevent the worst outcomes, even if it does not guarantee the best ones.

Does economic development increase the likelihood of a country being democratic? Modernization theory holds that the conversion to democracy is an inevitable result of economic development, making richer countries more likely to transition to democracy. But the evidence does not support this: middle income countries have been more likely than poor or rich countries to move from

dictatorships to democracies, according to Przeworski *et al.*,^[6]. In Latin America, Landman *et al.*,^[8] finds that the level of economic development has no significant effect on the rate of change to democracy for any of seven measures of democracy. The rate of economic growth also has little impact: dictatorships can fall during periods of expansion or contraction. Even so, high-income countries are more likely to be democratic one other factors are taken into account^[9,10]. The explanation is that democratic regimes are much more likely to survive in high-income countries, though they are not more likely to emerge. Between 1951 and 1990 none of the 31 democratic regimes with per capita incomes above \$ 6,055 (1985 purchasing power parity dollars) fell, while 38 poor democracies collapsed^[6]. There is also evidence that reversions to authoritarianism are likely in economic downturns, but it is not clear, argue Londregan and Poole^[6], whether bad economic performance causes democracies to fall or whether democracies about to fall exhibit bad performance. Several studies have considered the relationship between democracy and income inequality, but poor data make finding tenuous. Data incomparability between countries and within countries over time precludes clear conclusions.

Democracy and good governance: Human development

context: Human Development Report^[11] said, People are the real wealth of a nation. People are not only the beneficiaries of economic and social progress, they are also its agents, both as individuals and by making common causes with others. That is a one-reason strategy for promoting human development has traditionally emphasized investing in education and health and promoting equitable economic growth. These are two pillars of development because they mobilize individual agency by strengthening productive capacities. Besides a third pillar of a 21st century human development strategy: promoting participation through democratic governance. Participation promotes collective agency as well as individual agency- important because collective action through social and political movements has often been a motor of progress for issues central to human development: protecting the environment, promoting gender equality, fostering human rights. In addition, participation and other human development gains can be mutually reinforcing. Political freedom empowers people to claim their economic and social rights, while education increases their ability to demand economic and social policies that respond to their priorities.

Democratic principles follow naturally and inescapably from this vision of human development. The word democracy, from the Greek, means rule by the

Table 1: democracy, good governance and development work together.

Country	1	State of democracy (Score ranges from -10 to 10, higher is better)						State of governance (Score ranges from -10 to 10, higher is better)						13	14
		2	3	4	5	6	7	8	9	10	11	12			
Norway	29918	10	10	10	9	6.32	9.06	5.28	10	6.8	5.4	6.87	7.2	1	
Sweden	24227	10	10	10	8	6.6	8.92	5.52	10	6.8	6.04	7.09	8	2	
Belgiu	27178	10	6.66	6.66	8.2	4.96	7.96	3.48	6.66	5.36	5.16	5.16	3.2	4	
USA	34142	10	10	10	7	4.96	8.39	4.72	10	6.32	6.32	6.84	5.2	6	
Netherlands	25657	10	10	10	7	6.44	8.68	6.92	10	6.68	7.36	7.49	7.6	8	
Switzerland	28769	10	10	10	8.4	6.92	9.06	6.44	6.66	7.64	7.72	7.11	6.8	11	
Luxembourg	50061	10	10	10	8	5.64	8.72	5.92	10	7.44	7.44	7.7	7.4	16	
Germany	25103	10	6.66	6.66	7.4	5.68	7.94	4.84	6.66	6.28	6.68	6.11	4.8	17	
Spain	19472	10	6.66	6.66	6	4.6	7.45	4.04	3.33	4.48	6.28	4.53	4	21	
Portugal	17290	10	10	10	6.6	5.68	8.45	5.64	6.66	3.76	3.64	4.92	2.6	28	
Denmark	27627	10	10	10	8.2	6.4	8.92	5.36	10	6.84	6.48	7.17	9	14	

Source: Human Development Report^[13].

1: Per Capita income(US \$ PPP, 2000); 2: Polity score; 3: Civil liberty; 4: Political rights; 5: Press freedom; 6: Voice and accountability
7: Democracy score (mean of column 3-7); 8: Political stability and lack of violence; 9: Law and order; 10: Rule of law; 11: Government effectiveness12: governance score (mean of column 9-12); 13: Corruption perception index (from -10 to 10); 14: HDI rank

Table 2: low income is no obstacle to democracy and good governance

Country	1	State of democracy (Score ranges from -10 to 10, higher is better)						State of governance (Score ranges from -10 to 10, higher is better)						13	14
		2	3	4	5	6	7	8	9	10	11	12			
UAE	17935	-8	-3.3	-6.7	-5.2	-2.1	-5.1	4.36	3.33	4.48	2.4	3.64	0.52	46	
Oman	13356	-9	-3.3	-6.7	-4.2	-2	-5.1	4	6.66	4.24	3.4	4.58	1.76	78	
Saudi Arabia	11367	-10	-10	-10	-8.4	-4.3	-8.5	2.04	6.66	.76	0.0	2.35	-1.4	71	
Russia	8377	7	-3.3	-3.3	-2	-1.4	-0.6	-1.6	0	-3.5	-2.28	-1.85	-5.4	60	
Tunisia	6363	-3	-3.3	-6.7	-4.8	-2.4	-4.1	3.28	6.66	3.24	5.2	4.56	0.6	97	
Columbia	6248	7	0	0	-2	-1.6	0.67	-5.4	-6.7	-3.1	-1.52	-4.18	-2.4	68	
Venezuela	5794	7	-3.3	3.33	3.2	-1.4	1.77	-1.3	-3.3	-3.2	-3.2	-2.78	-4.4	69	
Turkmenistan	3956	-9	-10	-10	-7.8	-5.7	-8.5	.44	NA	-4.1	-4.9	-2.86	-4.5	87	
China	3976	-7	-6.7	-10	-6	-4.4	-6.8	1.56	3.33	-.76	0.56	1.17	-3	96	
Sri Lanka	3530	5	00	3.33	-4.8	-0.9	.52	-6.5	0.0	-1.2	-1.76	-2.38	00	89	
India	2358	9	3.33	6.66	1.6	2.64	4.65	-0.2	3.33	0.92	-0.7	0.84	-4.6	124	
Ghana	1964	2	3.33	6.66	-1	.08	2.21	-0.4	-3.3	-0.3	-0.24	-1.08	3.2	129	
Pakistan	1928	-6	-3.3	-6.7	-1.4	-5.7	-4.6	-1.6	00	-3	-1.92	-1.61	-5.4	138	
Bangladesh	1602	6	00	3.33	-2	-0.8	1.31	-2.9	-3.3	-3.1	-2.16	-2.67	-9.2	145	
Senegal	1510	8	00	3.33	3.2	.48	3.0	-2.7	00	-0.5	0.64	-0.97	4.2	154	
Nepal	1327	6	00	3.33	-1.4	-0.2	1.54	-1.1	NA	-2.6	-4.16	-2.6	-1.2	142	

Source: Human Development Report^[13].

1: Per Capita income(US \$ PPP, 2000); 2: Polity score; 3: Civil liberty; 4: Political Rights; 5: Press freedom; 6: Voice and accountability
7: Democracy score (mean of column 3-7); 8: Political stability and lack of violence; 9: Law and order; 10: Rule of law; 11: Government effectiveness12: Governance score (mean of column 9-12); 13: Corruption perception index (from -10 to 10); 14: HDI rank

people. It sums up well the human development approach to governance because it expresses the idea that people come first: governance must conform to the needs of people, not vice versa. Whether there can be such a thing as will of the people in a world with disparate and competing interests, the basic democratic principle of the equal concern for all people in the formation of governance structures- captures a key part of what human development should be about. The democratic system of voting in elections adds another crucial element of governance from a human development standpoint, because elections are the paradigm of enforceable accountability. When a government fails to live up to the needs and desires of the people, the people can throw it out of office. No form of accountability is more direct.

There is also no more egalitarian form of participation. The principle of one person, one vote gives every individual an equal say in the choice of government in theory if not in practice. It requires a legislature that represents the people, not one controlled by the president, Prime Minister, bureaucrats or the military. It requires an independent judiciary that enforces the rule of law with equal concern for all people. It requires well functioning political parties and electoral systems. It requires an accessible media that is free, independent and unbiased, not one controlled by the state or by corporate interests. And it requires a vibrant civil society, one that can play a watchdog role on government and interest groups and provide alternative forms of political participation. These institutions, underpinned by democratic values and

respect for human rights, provide checks and balances against the risks of tyranny and of populist politicians can mobilize support by using propaganda and appeals to racism and other forms of intolerance.

It is the only political regime compatible with human development in its deepest sense, because in democracy political power is authorized and controlled by the people over whom it is exercised. The most benign dictatorship imaginable would not be compatible with human development because human development has to be fully owned. It cannot be granted from above. Democracy is also the only political regime that respects open contests for power and is consistent with the respect and promotion of all human rights civil, cultural, economic, political and social.

The millenium Declaration on Democracy^[12] states democracy as a universally recognized ideal, based on values common to people everywhere regardless of cultural, people everywhere regardless of cultural, political, social or economic differences. As an ideal, democracy aims to protect and promote the dignity and fundamental rights of the individual, instill social justice and foster economic and social development. Democracy is a political system that enables people to freely choose an effective, honest, transparent and accountable government. Accordingly, democracy is based on two core principles: participation and accountability. Everyone has the right to participate in the management of public affairs. Likewise, everyone has the right to access in formation on government activities, to petition government and to seek redress through impartial administrative and judicial mechanisms.

Democracy, good governance and development: The Trade

Off: In many countries questions linger about compatibilities and trade offs between democracy and development. Military takeovers are most often justified on the grounds that democratically elected governments are incompetent in managing economic and social life. Authoritarian regimes often argue that they have an advantage in building strong states that can make tough decisions in the interests of the people. They also argue that democratic processes create disorder and impede efficient management that countries must choose between democracy and development, between extending political freedom and expanding incomes.

These arguments are not supported by empirical evidence. Rather, there are good reasons to believe that democracy and growth are compatible. With just two exceptions, according to ^[13], all of the world's richest countries those with per capita incomes above \$20,000 (in 2000 purchasing power parity)- have the world's most

democratic regimes. In addition, 42 of the 48 high human development countries are democracies. These outcomes do not mean that there is a causal relationship that democracy leads to economic growth or higher income. Yet it can be shown that democracy is not, at least, any obstacle to attain higher levels of income (Table 1). Similarly it is observed that low income is by no means any hurdle of democratic development and good governance (Table 2).

Table 1 reveals that countries with higher democracy scores did better in achieving good governance. These countries also secured higher level of corruption perception index and Human Development index. However, the table does not attempt to establish any cause-effect relationship between higher level of income and better democracy and good governance. Rather, it attempts and, it is conclusive from the table that, democracy, good governance and development can, at least, work altogether.

Table 2 shows that income is by no means any obstacle to democracy and good governance. Countries like India, Ghana, Senegal and Venezuela have better democracy score with less income than the countries in top of the table with higher incomes. The governance score, however, reveals that UAE, Saudi Arabia, Oman and Tunisia did better than Bangladesh, Pakistan, Nepal, Sri Lanka, Ghana and Senegal. This difference reflects the political stability and improved law and order of the first group of countries than the later group. It is also clear from the table that in checking corruption the countries doing better those have higher governance score indicating a positive relationship among the two.

In democracies people have a voice- underpinned by freedom of speech and through, freedom of information, free and independent media and open political debate that allows them to be heard in public policy making. These democratic processes are clearly related to three aspects of development. First, democracies are better than authoritarian regimes at managing conflicts, because the political space and the institutions that provide for open contests give opponents hope that change is possible without destroying the system. Some politicians argue that democracy leads to political instability, undermining development. But empirical studies show that the reverse is true. Between 1950 and 1990 democracies experienced twice as many riots and demonstrations and three times as many labour strikes ^[6]. But such events as well as changes in government did not slow economic growth in democracies. This is so because democracies can mitigate internal conflicts so that they do not develop into political crises and economic turmoil.

Table 3: More income more stability (per capita income in US \$)

Government Change	-1000	1000	2000	3000	4000	5000	6000	7000	8000+
		-2000	-3000	-4000	-5000	-6000	-7000	-8000	
From democracy to authoritarian	1/11	1/25	1/34	1/44	1/80	1/147	1/159	0.0	0.0
From authoritarian to democracy	1/61	1/37	1/28	1/48	1/24	1/18	1/18	1/40	1/130

Source: Alvarez *et al*^[10]

Table 4: Share in GDP (in percentage): Access in the national income

Country	Education		Health care		Military expenditure		Debt service	
	1985	1995	1990	1998	1990	2000	1990	2000
Netherlands	6.9	5.1	5.7	6.0	2.5	1.6	0.0	0.0
Finland	5.5	7.5	6.4	5.2	1.6	1.3	0.0	0.0
Switzerland	4.7	5.4	5.7	7.6	1.8	1.1	0.0	0.0
Denmark	7.2	8.1	7.0	6.9	2.0	1.5	0.0	0.0
Malaysia	6.9	4.9	1.5	1.4	2.6	1.9	9.8	6.7
Thailand	3.4	4.8	0.9	1.9	2.2	1.6	6.2	11.5
India	3.2	3.2	0.9	1.2	2.7	2.4	2.6	2.2
Pakistan	3.1	2.7	1.1	0.7	5.8	4.5	4.8	4.6
Nigeria	1.7	0.7	1.0	0.8	0.7	0.9	11.7	2.5
Bangladesh	1.4	2.2	0.7	1.7	1.0	1.3	2.5	1.7

Source: Human Development Report^[13]

Table 5: Income and Consumption Inequality

Country	Year	Income and Consumption (%)				Intensity of discrimination	
		Poor 10%	Poor 20%	Rich 20%	Rich 10%	Rich 10% to poor 10%	Rich 20% to poor 20%
Netherlands	1994	2.8	7.2	40.1	25.1	9	5.5
Finland	1991	4.2	10.0	35.8	21.6	5.1	3.6
Switzerland	1992	2.6	6.9	40.3	25.5	9.9	5.8
Denmark	1992	3.6	9.6	34.5	20.5	5.7	3.6
Malaysia	1997	1.7	4.4	54.3	38.4	22.1	12.4
Thailand	1998	2.8	6.4	48.4	32.4	11.6	7.6
Sri Lanka	1995	3.5	8.0	42.8	28.0	7.9	5.3
India	1995	3.5	8.1	46.1	33.5	9.5	5.7
Pakistan	1997	4.1	9.4	41.1	27.7	6.7	4.3
Nigeria	1997	1.6	4.4	55.7	40.8	24.9	12.8
Bangladesh	2000	1.8	5.0	55.0	40.7	22.5	11.0

Source: Human Development Report^[13]

The same relationship holds in the opposite direction, that is, higher incomes help democracies survive once they emerge, and the likelihood of reverting to authoritarianism declines as incomes increase (Table 3). Higher incomes also contribute to political stability.

Second, democracies are better at avoiding catastrophes and at managing sudden downturns that threaten human survival. As Amartya Sen has argued, democratic institutions and processes provide strong incentives for governments to prevent famines. Without opposition parties, uncensored public criticism and the threat of being thrown out of office, rulers can act with impunity. Without a free press, the suffering from famine in isolated rural areas can be invisible to rulers and to the public.

Third, democracies help spread the word about critical health issues, such as the negative implications for women of a large number of births, the benefits of breast feeding and the dangers of unprotected sex in the context

of HIV/AIDS. In these areas open dialogue and public debate can disseminate information and influence behaviour. Free, open public debates are the cornerstone of what Amartya Sen calls the constructive role that democracies can play in promoting development. And among countries with similar incomes, people live longer, fewer children die and women have fewer children in democratic regimes. This can be shown in chart 1. The Chart presents that democratic institutions are helpful in achieving human development of a country. Democratic institutions characterized by Participation of people, contestation of power and accountability made democratic governments more careful in ensuring civil liberty and human rights that finally leads to further human development of the society. In this context government expenditure pattern, spending in social sectors become significant in human development. Democratic government seems to be very careful in it with its transparency and accountability and electoral process. As a result it is found that more

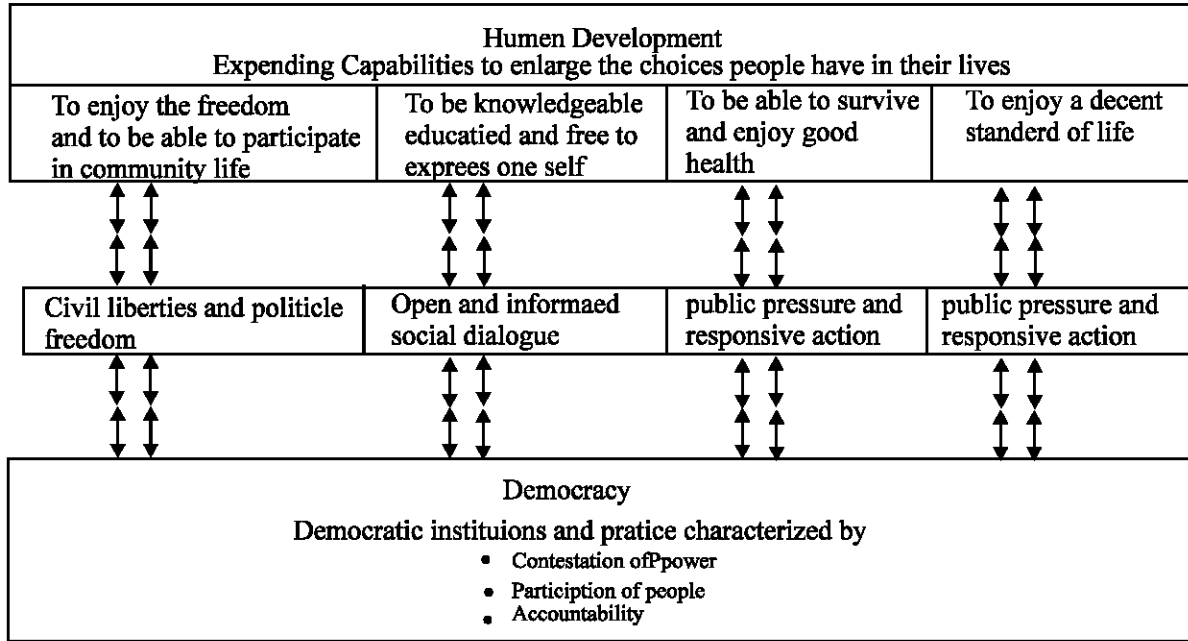


Fig. 1: Democracies and Human Development: the chain reaction

democratic environment ensures greater responsible behaviour of the government in social sector development and public spending (table 4 and table 5).

Table 4 shows that where the liberal democratic countries of Europe spends 5-7 %ages of their GDP in Health Care and Education, this is 1-3 % in the fragile democracies, and to some extent the military and pseudo-military, Afro-Asian countries (for example Pakistan, Nigeria and Bangladesh). On the other hand these later countries spend 3-12 %ages of their GDP in the non-productive purposes like Military Expenditures and Debt Service Payments. The liberal democratic European countries spend, while, zero to Debt Service Payment, the share of their Military Expenditures rounds between 1-2%. Will it be excess enough to comment that democratic stability, good governance and accountability have played significant role in this regard? From Table 5 it could be seen that in the fragile-instable democracies like Nigeria and Bangladesh the top 10% richest people possess nearly 40% of their national income, whereas this is 20-25% in liberal democracies in Europe.

Again it could be easily seen that the top 10% richest people enjoys 22-25 times higher income than those of the lowest 10% people in the former countries, while this is merely 5-9 times in case of the later group of countries. Good governance, transparency and accountability might have played the role of differential factor here.

DEMOCRACY AND GOOD GOVERNANCE IN BANGLADESH

The need for good governance and institutionalization of democracy has been argued althrough the post liberation era of the country from every corner. But least has been done in achieving it. The country badly secured the top most corrupted country in the world for the last four consecutive years and fort which absence of good governance has been identifies as the major factor by the Transparency International. In the same time the US Department of State in December 2004 identified the country as the dangerous most in Asia and the Pacific for the journalists and free press. Such picture of press freedom and limited freedom of speech present abjectly the weak-fragile democratic state of the country. According to UNDP and World Bank the country with improved good governance eliminating just half of the present corruption could attain extra 2-2.5% of GDP growth and consequently downsize the poverty level to a half in next 15 years^[14,15]. So good governance is as important to institutionalize democracy in Bangladesh as for sustainable development and eradication of poverty. In this context we analyze the obstacles and ways to good governance in Bangladesh.

Obstacles to good governance in Bangladesh:

Corruption: Corruption is the central problem in attaining good governance in Bangladesh. It captures all spheres

of life our society. Bangladesh headed the corruption list of Transparency International for the last four years at a run. According to World Investment Report 2004 obstacles to business and investment is the highest in Bangladesh in Asia. The average starting costs of a business/investment here is \$ US 32 which is \$ 6 in India and zero in Denmark. Corruption deteriorates country's inequality in income distribution and causes serious degradation in the law and order situation.

Lack of rule of law: Rule of law is yet to be achieved in Bangladesh. Independence of judiciary is not ensured and consequently it couldn't function out of pressure. The unprivileged section of the society, as a result, remains deprived of getting justice. No institutional mechanism is build to ensure and minimizing the costs of getting legal help to the poor. As a result law or court just serve the purposes of the influential.

Lack of transparency and accountability: Transparency and accountability are pre-requisites in the path of democratic institutions and good governance. Whereas the achievements of Bangladesh is very poor in this respects. With 3 decades of our independence still we don't have well functioning Anti Corruption Commission, Human Rights Commission and Ombudsman. As a result democracy remains confined in the paper not in work that could ensure the mass people's right. The nominal and minimal effectiveness of parliament is widely recognized. Parliamentary committees are not performing their due roles and even parliament members are by constitutional provision prohibited to vote independently. Such voicelessness of the parliament members clearly reveals how contributing the parliament could be as a safeguard of people's voice, democracy and good governance.

Lack of political commitment: Political will and commitment is an essential element for ensuring good governance. In Bangladesh lack of commitment and sincerity of the political parties and to some extent their negative attitudes hinder the process of good governance. Political intervention over civil administration and judiciary appeared to significant problem for the democracy and good governance of the country.

Inequality in income: In Bangladesh the inequality in income between the rich and the poor are deteriorating unabatedly. Unplanned urbanisation, negligence over the rural resources mobilisation and development aggravates rural-urban life of the country. The initiatives that are taken in the post liberation era in an attempt to expand rural trade and business, agriculture and industry are not praise-worthy enough. This leads to augment rural-urban

migration raising urban poverty level significantly. As a result social unrest, deterioration of law and order emerges appearing a serious challenge for good governance.

Inefficiency in administration: Good governance requires efficiency in administration of the country. In Bangladesh the civil administration is far away in attaining professionalism. Political connection, nepotism and corruption in the civil administration hinder it of performing appropriate role. There is also lack of coordination among the civil-judiciary-military-political administration. As a result, inefficiency, mismanagement and red-tapism grows. World Investment Report 2004 reports that for starting a business and investment in Bangladesh one need to seek permissions from almost 28 desks. Such slowness and red tapism are serious problem for good governance and development.

Poverty and unemployment: In Bangladesh poverty and unemployment are important obstacles in ensuring good governance. The ever spreading corruption that captives our society grounds on poverty and unemployment. Pressure from ever increasing population in one hand and on the other insufficient jobs in the industry and trade aggravating unemployment problem. The unemployed young generation involving in extortion, terrorism and anti-social activities creates challenge for good governance of the country.

Nepotism: Nepotism is seen to be one of major problems in institutionalising democracy and good governance in Bangladesh. As a result, people are very often deprived from their socio-political rights as well as their participation and active role in civil administration that further hinders the socio-economic and democratic development of the country.

Measures for ensuring good governance: Good governance, as a complex process, needs to be addressed seriously. For this, comprehensive and effective program should be undertaken such as:

Decentralization of power: Ensuring democracy and good governance requires ensuring decentralization of power. For this, local government bodies could be strengthened in such a manner that could survive in line with the national government. Distribution of power between public officials and the elected local bodies should be well defined and their accountability should be ensured. Attempts should be taken to strengthen people's participation in the local bodies to ensure good governance and democracy at the grass root levels.

Effective parliamentary and political system: To strengthen democracy and ensure good governance effectiveness of parliament is a crying need. Because a strong and meaningful parliament can ensure strong democratic process for the country. For this attempts should be made to build strong parliamentary leadership. The parliament leader, leader of the opposition, deputy leaders of the house and opposition should play their effective roles. The position of Speaker and Deputy Speaker could be distributed among the ruling and opposition parties to ensure neutrality of the house. Parliamentary committees should be given appropriate authority and power to evaluate and monitor the functionaries of the respective ministries. And above all the freedom of speech and the freedom vote of the parliament members should be revived and returned. Close Voting instead of Open Voting in parliament could be introduced in case of sensitive issues.

Combating corruption: Ensuring good governance requires elimination of corruption. For this, the Anti-Corruption Commission (ACC) should be made truly independent and well functioning. Adequate legal and financial power should be given to ACC. It would be wise to consider the reports of the Transparency International (TI) regarding corruption and not blaming TI, the news papers, news agencies or the past government as usually. Rather attempts should be made to curb corruption to save country's scarce resources and ensuring quality governance for the mass people. Furthermore institutions like Ombudsman and Human Rights Commission should be formed and organized. All these institutions should be free from executive influence in order to ensure their functions in the right direction.

Accountability and transparency: In Bangladesh public officials are not accountable and decision making process is not transparent. In order to make administration more effective certain institutions should be reviewed in light of the changing economic conditions, nationally and globally. Civil administration, Cabinet division and other functionaries of the state should be more effective. Functions of certain government agencies can be delegated to the private sector. Improvement of efficiency through financial management;

Independence of judiciary: Good governance necessarily demands independent judiciary. In Bangladesh while the higher courts enjoy a certain measure of independence, the lower courts are under the direct control of the law ministry. The judges look up to the ministry for

everything, the service of district and session judges, their transfer, promotion etc are controlled not by the supreme court but by the law ministry. For effective and independent judiciary what is badly needed is the separation of judiciary from the executive.

Ensuring the rule of law: Rule of law is a pre condition for good governance. In this regard highest priority should be given to the reform of police administration and public prosecution. Police force should be given proper training with particular emphasis in good governance, human rights, women rights etc. Greater police-citizen interaction and checking of corruption within the police should be made. Community Policing could be introduced to ensure community involvement. And finally costs and availability of public prosecution should be ensured for the poor people.

Ensuing participation: Participation means people's involvement in the decision making processes of the developments programs and their involvement in efforts of evaluate such programs. But in the case of Bangladesh all levels of government sectors are suffering from lack of meaningful participation from the grass root levels especially women participation. Government high ups specially local government bodies can be made effective if their activities are constantly scrutinized, inspected and their expenditures audited. Accountability, which can not be achieved without meaningful participation of citizens, is a much-needed guarantee against corruption, autocratic tendencies and high handedness on the part of public officials.

Strengthen civil society: A strong civil society is considered one of the prerequisites for democracy. Civil society is a reservoir of political, economic, cultural and moral resources to made the ways and paths of the state. The diversity of civil society could ensure that the state is not held to be captive by a few interest groups and resists country from authoritarianism and terrorism. So we should take measures to strengthen the civil society to ensure good governance and democracy. In this connection steps can be taken to strengthen human rights safeguards and open a national dialogue on human rights among politicians, journalists that are of great interest to the civil society.

CONCLUSIONS

It is now widely recognized that democracy, good governance and development are all inter-related. For a country like Bangladesh, in which the ever-increasing

population causes tremendous pressure for the policy planners, the issue of good governance and efficient use of resources are very important. Good governance, in one hand, can ensure optimal use of resources and, on the other hand, can equally contribute in resource mobilization to. Institutionalization of democracy, in this case, plays meaningful role for a country. Transparency and accountability are ensured through the process of democracy. With democratic process people are able to participate in the development activities and policies which helps to curb social unrest and improve law and order of the society. In Bangladesh the wide spread corruption, financial mismanagement, obstacles to business and investment are now widely recognized. Good governance could contribute in achieving higher growth rate, ensure equality in income, expansion in business and investment and finally creating employment could alleviate poverty thereby. Establishing democracy and good governance thus becomes important consideration for the sustainable development of the country. Such opinion has been carefully reflected in this paper logically and specifically.

REFERENCE

1. Clague *et al.*, 1996. Property and contract rights in autocracies and democracies. *J. Eco Growth*, 1: 243-76
2. Haggard and Stephan, 1997. Democratic Institutions and Economic Policy. In Christopher Clague, Ed. *Institutions and Economic Development*. Baltimore. The Johns Hopkins University Press.
3. Borner *et al.*, 1995. *Political Credibility and Economic Development*, New York: Macmillan.
4. Barro and Robert, 1996. Democracy and growth. *J. Eco. Growth.*, 1: 1-12.
5. Tavares, Jose and R. Waczaig, 2001, How democracy affects growth. *Eur. Eco., Review*, pp: 1341-78.
6. Przeworski, *et al.*, 2000. *Democracy and Development: Political Institutions and Well-being in the World 1950-1990*, New York: Cambridge University Press.
7. Varshney and Ashutosh, 2002. *Poverty Eradication and Democracy in the Developing World*. World Bank Discussion Paper.
8. Todd, L., 1999. *Economic Development and Democracy: The View from Latin America*, *Political Studies* 47: 607-26.
9. Londregan, B. John, T. Keith, and Poole, 1996. *Does High Income Promote Democracy?* *World Politics*, New York: Oxford University Press, 49 :1-30.
10. Barro and Robert, 1997. *Economic Growth in a Cross-Country Empirical Study*, MIT Press, Cambridge.
11. UNDP, 1990. *Human Development Report*, New York: Oxford University Press.
13. UNDP, 2002. *Human Development Report*, New York: Oxford University Press.
14. UNDP, 2003. *Human Development Report*, New York: Oxford University Press.
12. United Nations, 2000, *Millennium Declaration*, New York [<http://www.un.org/millennium/declaration/ares552e.htm>].
15. World Bank, 2004. *World investment reports*, Washington, DC.
16. Alvarez, M., J. A. Cheibub, J. Gandhi, F. Limongi, A. Przeworski and S. Saiegh, 2002, *Democracy and Development*. World Bank Dataset.