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MICROGOVERNANCE: A PROSPECTIVE TOOL OF GOOD GOVERNANCE IN BANGLADESH

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Abstract

Contemporary world is witnessing new types of governance in which services are provided through networks and partnerships within and across the state and non-state actors. The core assumption of microgovernance approach is to enhance micro-solution centric approach, empowering micro-level institutions, localizing national policies, mobilizing mass people and to use local knowledge in governance. It is understood that the idea of microgovernance promotes more convergence than divergence in policy formulation and implementation. This paper attempts to identify some pressing problems of governance in Bangladesh and examine how the promotion of microgovernance approach can be useful to ensure good governance. It evaluates success stories of microgovernance in Bangladesh in order to assess its feasibility for and likely impact on effective governance. Microgovernance becomes relevant for Bangladesh for two specific reasons. First, there is a failure of traditional or existing governance paradigm. Despite the cry for good governance for the last fifteen years or even more, governance problems are still widespread in Bangladesh. It is assumed that microgovernance would fill the void or address the missing links. Second, the relevance of microgovernance can also be understood in the context of rising local initiatives demonstrated through civil society empowerment, grassroots participation, and effective local government

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1. Introduction

Under the Westphalian nation-state paradigm, governance is dominated by state institutions where state remains at the apex of all governance activities. With the changing politico-economic environment at internal and external domains, the governance structure is increasingly being characterized by the movement for deregulation, privatization, and welfare reform lessening the role of state. The performance of state controlled bureaucracy has been challenged as nonflexible, incompetent, and unaccountable to the society. At present, governance mainly refers to the coordination of social systems, public-private relations, and increasing reliance on informal authority. All these often make the role of the state in society disputable.¹ In this context, the growing body of literature on governance exposes two diverse patterns of changes in scope, focus and mode of governance. First, the role of state has not withered away. The state is experiencing new strategies for delivering services, regulating the economy, and interacting with the public. Second, in the context of liberalization, the state functions have been exceedingly controlled. Development enterprises have been generated in private or quasi-public sectors in the shadow of the state or without state.

Consequently, the changing trends indicate the new range, scope, attention, or mode of governance all over the world. The objectives, frameworks, systems, actors, transaction and delivery mechanisms of governance are substantively changing. The shifting and diverse trends of governance are clearly reflected in the conceptual understanding of international financial institutions (IFIs). The World Bank encourages governments to create the legal and institutional framework for accountability and transparency, predictability and competence in the management of public affairs and the management of economic development.² The United Nations Development Programme (UNDP) identifies governance as “the exercise of political, economic and administrative authority to manage a society's affairs...encompasses the organizational structures and activities of central, regional and local

¹ See, for details, Martin Nekola, “Political Participation and Governance Effectiveness – Does Participation Matter?” Available at: <http://unpan1.un.org/intradoc/groups/public/documents/NISPAcee/UNPAN022171.pdf>. accessed on 18 January 2007.

² World Bank, *Managing Development - The Governance Dimension*, 1994, Washington D.C

government, the parliament and the judiciary and the institutions, organizations and individuals that comprise civil society and the private sector insofar as they actively participate and influence the shaping of public policy that affects people's lives".³ The Asian Development Bank (ADB) focuses on the ingredients of effective management of development. The Inter-American Development Bank concerns with modernizing government and strengthening civil society, transparency, social equity, participation and gender equity. Thus, IFIs clearly recognize the role of non-state actors in governance paradigm. Another emerging mode of governance is nodal governance operating through partnership and networking among the different actors of governance in different parts of the world.

Governance in Bangladesh is mostly dominated by the state institutions. The state maintains widespread and monopolistic dominance in national life through its various formal and informal organs. Since the independence in 1971, the state has exerted its overarching control in policy formulation and implementation.⁴ Due to the existence of weak private sector and community based organizations (CBOs), three constituents of 'state' monopolized or nearly monopolized 'governance'. During 1990s, a World Bank report characterized governance in Bangladesh as preoccupied with process, too pervasive, highly centralized, overly bureaucratic, too discretionary, unaccountable, and unresponsive and wasteful.⁵

The political and bureaucratic elites played a predominant role in setting goals and priorities for the state and society,⁶ resulting in poor performance of many critical sectors of state and society in Bangladesh. Above all, this has enormous implications for the accountability and transparency of the organizations that drastically reduces their credibility

³ *Decentralized Governance Programme*, The United Nations Development Programme (UNDP), New York, 1996.

⁴ See, for details, M. Aynul Islam, "Political Institutions and Governance in Bangladesh: Changes and Continuity", *BISS Journal*, Vol. 26, No.4, 2005, pp.581-611.

⁵ World Bank, *Bangladesh: Government that Works*, Dhaka: University Press Ltd., 1996, p. 67.

⁶ Hasnat Abdul Hye, "Good Governance: A Social Contract", in Hye, ed., *Governance: South Asian Perspectives*, Dhaka: University Press Ltd., 2000, p. 4.

either as implementing agencies or rule-making bodies. This has largely created a basic tendency of authoritarian and anarchical rule in the society in which money, power and arms maintain their strong control with minimum resistance from the state and the people. On the other hand, the post-1990s has witnessed changes in structure, functions, and authority in delivering public and private goods. In the past, whether it was in the economic or political realm, the state used to enjoy unchallenged monopolistic power through its various organs. Now, the state had to relinquish its power from some sectors that has redefined its structure, functions, and authority. The non-state actors, particularly private firms and the civil society, fill this newly created space. Despite the emerging role of non-state actors, in few basic governance indicators such as accountability, political stability, institutional effectiveness, regulatory quality, rule of law, and control of corruption, etc., Bangladesh scores one of the lowest among the developing countries. Governance institutions in the country, both at national and local levels, are not functioning effectively. People have not been mobilized adequately at collective level. They have a very low level of participation and confidence in governance institutions, national policies and frameworks.

Against this backdrop, this paper attempts to identify few pressing problems of governance in Bangladesh and examine how the promotion of microgovernance approach can be useful to ensure good governance. It explains success stories of microgovernance in Bangladesh to understand its feasibility and likely impact on effective governance. In this context, microgovernance is suggested for Bangladesh for two specific reasons. First, there is a failure of traditional or existing governance paradigm, despite the slogan for good governance for the last fifteen years or more. It is expected that microgovernance would fill the void or address the missing links. The microgovernance windowpane is expected to elicit better domino effect of governance. Second, the relevance of microgovernance can also be understood in the context of rising local initiatives demonstrated through civil society empowerment, grassroots participation, and decentralization of local government, etc.

Barring introduction and conclusion, the paper is divided into five sections. While the first section attempts to look for the conceptual clarification of microgovernance, the second section is designed to analyse the second generation problems of governance in Bangladesh.

The third section deals with the emergence of non-state actors in the domains of governance. The selected cases of microgovernance in Bangladesh are dealt with in the fourth section. Finally, the fifth section explains the implications of microgovernance for Bangladesh.

2. Conceptualizing Microgovernance

The understanding of microgovernance demands a brief review of existing thought on governance, popularly conceived as ‘good governance’. Donors and IFIs are playing a leading role in popularizing good governance in Bangladesh. Initially, international donors call for restructuring the public administration in Bangladesh to facilitate wider role of markets in the society. The World Bank has turned its focus to institutions and brought the concept into development discourse.⁷ Ironically, the prescription of good governance has been made when the damages had already been done. In Bangladesh, it is more often referred to as ‘good governance’, signifying the reality that there is a failure of governance and, hence, mis-governance. Sobhan extends the scope of governance as he argues that “the study of governance problem is, in essence, a search for ways and means of managing affairs of the state, taking into account the obstacles inherent in changes taking place in South Asian countries”.⁸ Khan and Ahmed conceive it as a notion of

⁷ The World Bank’s experience of disintegration of its economic policies in African countries led to attribute the failure of governance which includes administrative inefficiency, absence of rule of law and accountability, rampant corruption, and lack of transparency, etc. The Bank, however, did not relate these traits with any particular political regime. This link between governance and democracy is dynamically pressed into the development discourse by the international organizations. See, for details, *Managing Development: The Governance Dimension*, Washington D.C.: The World Bank, 1991; *Governance and Development*, Washington D.C.: The World Bank, 1992; *Governance: The World Bank’s Experience*, Washington D.C.: The World Bank, 1994; *Sub-Saharan Africa: From Crisis to Sustainable Growth*, Oxford: Oxford University Press, 1989, The World Bank.

⁸ See, for further details, Rehman Sobhan, *Problems of Governance in Bangladesh*, Dhaka: University Press Ltd., 1992, p. viii; *The Independent Review of Bangladesh’s Development* (IRBD), Vol. 3, Dhaka: The Center for Policy Dialogue, 1996.

accountability from political and bureaucratic sense in the context of Bangladesh.⁹

Whatever may be the focus of their studies, the central concern remains to identify the quality of governance whether it is 'good' or 'bad'. As a result, it misses two overriding issues of 'harmonization' in relation to institutional transformation in a society as well as scope and agency of governance. Governance cannot be conceived properly just by understanding its qualitative level. Some other studies also focus on political dimensions of governance like democracy or electoral system. Again, like the study of markets or the public sector, it avoids critical linkages with the realities on the ground, particularly the rules and norms governing small units of human organizations. It brings about the idea of micro-governance.

The concept of governance has been changing to cope with new ideas, visions and institutions in the age of globalization. Scholars from a variety of disciplines and academic schools are trying to integrate the implications of these changes both conceptually and empirically. The normative political theorists tend to identify these transformations as 'deliberative model of governance' with emphasis on extended and localized forms of 'civic engagement'.¹⁰ As a result, new types of governance have emerged in which services are provided through a variety of governmental nodes including departments of state, education and health institutions, business entities, local government institutions and community-based auspices, etc. Some scholars tend to identify it as nodal governance.¹¹ It operates through networks and partnerships within and across the state and non-state segments. Nodal governance is the

⁹ Mohammad Mohabbat Khan, and A.K. Monwaruddin Ahmed, "Dimensions of Governance" in M. G. Quibria, ed., *The Bangladesh Economy in Transition*, Dhaka: University Press Ltd., 1997, p. 323.

¹⁰ See, for details, Dryzek, J., *Deliberative Democracy and Beyond*, Oxford: Oxford University Press, 2000; Habermas, J., *Moral Consciousness and Communicative Action*, Cambridge: The MIT Press, 1983.

¹¹ Scott Burris, Peter Drahos And Clifford Shearing, "Nodal Governance", *the Australian Journal of Legal Philosophy*, Vol.30, 2005, pp.30-58; Jennifer Wood and Clifford Shearing, "Security and Nodal Governance", Paper presented at the seminar at the Temple University Beasley School of Law, Philadelphia, on 25 October, 2006.

guiding endeavour to create institutions of microgovernance¹² to promote localized, participatory and solution-centric governance.¹³ On the other hand, the Zwelethemba model, developed in South Africa in the 1997, suggests community-centred and experimental governance based on the identified deficit of governance. This programmatic work offers useful insights into the coordination of health and security outside the state-centred policing framework. The practical experience of this programme demonstrates the pledges of micro-governance approaches promoting health and security by mobilizing local knowledge and capacity among poor people. It has theoretical implications, particularly with regard to the capacity of small community to manage events flowing from more generalized and more powerful sources.¹⁴ Thus, the theory of nodal governance and the Zwelethemba model provide necessary conceptual basis for understanding microgovernance. A number of initiatives in many parts of the world have been taking place to develop and institutionalize the new forms of microgovernance and link them to the solution of critical community-level social and economic problems.

Box-1: Key aspects of microgovernance

- Micro-solution centric approach
- Localizing national policies
- Empowering micro-level institutions
- Mobilizing local people
- Using local knowledge and capacity

¹² Scott Burris, "Governance, Microgovernance and Health", *77 Temple Law Review*, Vol. 77, p. 335, 2004.

¹³ Robert J. Sampson, "Transcending Tradition: New Directions in Community Research, Chicago Style", *Criminology*, Vol.40, 2002, pp. 213-230; Scott Burris, 2004, *op.cit*; Johnston L. and C. Shearing, *Governing Security: Explorations in Policing and Justice*, London: Routledge, 2003; Jeffrey D. Morenoff, Robert J. Sampson, and Stephen W. Raudenbush, "Neighborhood Inequality, Collective Efficacy, and the Spatial Dynamics of Urban Violence", *Research Report*, No. 00-451, the Population Studies Center, University of Michigan, 2001.

¹⁴ Scott Burris, "From Security to Health", in Jennifer Wood and Benoit Dupont, eds., *Democracy, Society and the Governance of Security*, Cambridge: Cambridge University Press, 2006, pp.196-216.

The present study holds that the model of microgovernance is useful to address the fundamental problems at the micro level where the actual causes, practices, and environment of governance are identified. The idea encompasses policies, institutions and processes which consider the operational circumstances and conditions to influence people's lives, the services they receive and the policy environment as well. The core aspects of microgovernance approach is to enhance micro-solution centric approach, empowering micro-level institutions, localizing national policies, mobilizing mass people and to use local knowledge in governance epitome.

It could be treated as an entry point to identify governance deficits providing a real demonstration of what is feasible for administrative efficacy and development. The holistic centre of attention is to recognize the entry problems of governance to identify micro solution with the help of micro-level institutions. It is understood that the idea of microgovernance promotes more convergence than divergence in policy formulation and implementation. The basic manifestations of microgovernance pattern are micro-institutions, strategies, frameworks and partnerships.

Micro-institution refers to promotion of institutions from below utilizing local knowledge and capacity to enhance effectiveness and quality of institutions. There is a significant gap in the linkages between rural and urban areas, and new approaches are needed to grasp new challenges of governance. Local level NGOs and Civil Society Organizations (CSOs) can be effective to accommodate local necessity and to use local knowledge. Micro-strategy refers to focus on micro-solution centric strategy. Micro issues of governance include issues in many sectors at the regional and central levels: government departments and state owned enterprises (SOEs), commercial firms, education and health institutions, cooperatives, non-governmental organizations such as the media, think tanks, and other NGOs; and informal institutions of governance which operate in the large informal sector across the country.

In the contemporary development discourse, citizens and governments are often engaged in ensuring participatory and deliberative governance through developing micro solutions to different pressing problems of governance. The approach of micro solution can focus on citizens, micro/entry problems and micro level institutions. In many cases, national policies remain complex and vague to the local people

that may result in poor performance of governance. So, there is a need to localize national policies with the help of micro level institutions and local people. The use of local knowledge and capacities in policy making and implementation can accelerate the performance of governance. Thus, the framework of microgovernance is conceived as a process that hinges more on compatibility factors and less on divergence in actions and policies by the state and citizens.

3. State of Governance in Bangladesh

The modern history of Bangladesh dates back to the colonial rule of the British Empire and subsequently internal colonialism of Pakistan era. Bangladesh achieved independence in 1971 with the dream of establishing *Sonar Bangla* (Golden Bangladesh). The motivation was to establish grass root democracy and achieve economic development. But due to volatile political environment, military rule, electoral failure, rent-seeking and patronage, party dominance, judicial interference, corruption, poverty, etc., the people's dream has not been materialized. Even with the fall of autocracy in the early 1990s, Bangladesh's politics and governance have been marked by a number of negative characteristics which include "politics of intransigence",¹⁵ "imperilled democracy",¹⁶ "destructive politics",¹⁷ "spiralling lawlessness",¹⁸ and "confrontational political culture."¹⁹ The system remains unconsolidated, politicized, confrontational and marred by bad governance. However, Bangladesh known as a 'bottomless basket case' and a 'test case' for development in the 1970s²⁰, is now called a low-income country by the

¹⁵ Golam Hossain, , "Bangladesh in 1995: Politics of Intransigence", *Asian Survey*, Vol. XXXVI, No. 2, 1996, p. 196.

¹⁶ Rounaq Jahan, "Bangladesh in 2002: Imperiled Democracy?," *Asian Survey*, Vol. XLIII, No.1, 2003, p. 222.

¹⁷ Rounaq Jahan, "Bangladesh in 2003: Vibrant Democracy or Destructive Politics?," *Asian Survey*, Vol. XLIV, No. 1, 2004, p. 56.

¹⁸ M. Rashiduzzaman, "Bangladesh in 2000: Searching for better Governance?" *Asian Survey*, Vol. XLI, No. 1, 2001, p.122.

¹⁹ Mobasser Monem, "Confrontational Political Culture and Economic Liberalisation in Bangladesh: Is there a Link?" Paper presented at *the 18th Conference on Modern Asian Studies*, Lund, Panel 41, p.1.

²⁰ Henry Kissinger, former secretary of state of the United States labeled Bangladesh as the 'bottomless basket case' while Just Faaland and JR Parkinson

World Bank and one of the Least Developed Countries (LDCs) by the United Nations Conference on Trade and Development (UNCTAD). Politically, Bangladesh is added to the list of newly democratized nations (NDNs) in the post Cold War era.²¹

3.1. Pressing problems of governance in Bangladesh

There exists a 'heterodox view' among the stakeholders in addressing governance deficits in Bangladesh. Politicians, bureaucrats, donors, economic elites and common people are sharply divided in setting goals and priorities of good governance in Bangladesh. As Zarina R. Khan points out, "effective democratic governance continued to be the elusive 'golden deer' that the nation doggedly sought but could not find."²² Hossain Zillur Rahman identifies four important problems of good governance goal in Bangladesh:

- i. a tendency towards encyclopaedic wish list in agenda formulation;
- ii. an insufficient appreciation of the institutional and political realities through which reform initiatives have to be carried forward;
- iii. over-focusing on what does not work while ignoring what does work; and
- iv. a lack of clarity as to where the governance agenda best interfaces with poverty reduction goals.²³

A recently published report entitled '*The State of Governance in Bangladesh 2006*' by the BRAC University Centre for Governance Studies and BRAC Research and Evaluation Division points out four

labeled 'test case' of development in their book titled *Bangladesh: The Test Case of Development*, New Delhi: S.Chand and Company Ltd., 1976.

²¹ Syed Anwar Husain, "Challenges of Democratic Governance in Bangladesh", in SR Chakravarty (ed.) *Society, Polity and Economy of Bangladesh*. New Delhi: Har Anand Publications 1994, p. 110.

²² Zarina Rahman Khan, "Decentralized Governance: Trials and Triumphs", in Rounaq Jahan, ed., *Bangladesh: Promise and Performance*, Dhaka: The University Press Ltd. 2002, p. 107.

²³ Hossain Zillur Rahman, "Engaging on Good Governance: A Search for Entry Points", *The Weekly Holiday*, Dhaka, 25 February 2005.

acute problems of governance in Bangladesh. Firstly, the partisan politics has pervaded into all aspects of public affairs. It forcibly or illicitly gets into the public institutions or even to local level to control or influence local development processes and administration. Secondly, due to partisan public institutions and absence of appropriate framework, the formal accountability mechanisms are weak. Thirdly, the demand for reform is mainly coming from development partners. Finally, the knowledge of governance in Bangladesh is patchy and sometimes lacking adequate independence.²⁴ Understandably, these negative characteristics make institutions dysfunctional and poor governance as the major bottleneck for national development. Due to confrontational politics, boycott of parliament by opposition parties, general strikes, increasing suppression of the opposition by the government, it is causing havoc on the nation's democracy and economic advancement'.²⁵ Precisely, the governance institutions have largely failed and, therefore, democracy is not working. The constraints to institutionalisation process are enormous. Political centre of gravity towards making more accountable and effective governance institutions is missing in the country's political framework.

On the basis of above analysis, the problems of governance in Bangladesh can be identified as the permutation of several key deficits that predominantly affect governance institutions. These are democratic deficits, capacity deficits, resource deficits, vision deficits, value deficits and action deficits among the governance institutions and mechanisms.

Democratic deficits: lack of quality, quantity, equality and sustainability in participation

Democratic deficit is a worldwide phenomenon²⁶ existing at the international, national and local levels governing institutions. It largely describes the ills of contemporary governance. Today, while the democratic deficit continues to become visible globally, the citizens of Bangladesh are experiencing with democratic malaise — demonstrating

²⁴ See, for details, "The State of Governance in Bangladesh 2006-Knowledge, Perceptions, Reality", the Centre for Governance Studies, BRAC University and BRAC Research and Evaluation Division, Dhaka, December 2006, pp. xiii-iv

²⁵ Mobasser Monem, *op.cit.* p.1.

²⁶ See, for details, "Deepening Democracy in a Fragmented World," The Human Development Report 2002. Available at:

<http://www.twinside.org.sg/title/twe285f.htm> accessed on 18 January 2007.

the indicators such as distrust and dissatisfaction on political parties, administration, government officers, government media, local government, NGOs, judiciary and civil society organizations. Significant democratic deficits are limiting the participation of citizens and key stakeholders as well as affecting the capacities of existing governance institutions to address effectively critical issues ranging from poverty alleviation to peace and human security, human rights and gender justice, equitable development, and ecological sustainability in Bangladesh. Low citizen awareness and participation, ineffective government institutions and processes, significant inequalities and disparities in social structures and lack of institutional capacity for sustained actions, all are now affecting the performance of governance in the country.

The existing pattern of governance in Bangladesh is a centralized government body, distant and non-responsive, often silences the voice of the common citizens who finally lack control over their own political destinies. Addressing democratic deficits needs to understand political participation from below within a democratic governance framework. More participation may not necessarily result in positive development outcomes and sustainability. It needs to consider meaningful forms and spaces for broad participation and create a democratic context and enabling policy environment.

Capacity deficits: dysfunctional institutions and policies

Capacity development, which is recognized by the World Bank, UNDP, Canadian International Development Agency (CIDA) etc., is a critical issue to enhance the performance of governance. The UNDP recognizes capacity development as the process by which individuals, organizations, institutions and societies develop abilities both individually and collectively.²⁷ To pursue more complex development agenda, particularly in the context of globalization, there is a need for higher professionalism within the bureaucracy. The scenario in Bangladesh is marked by serious capacity deficits. Human resource development policies and institutions are inadequate. Even, human resource development policies within the private sectors and among the civil society organizations are insufficient too. At the local level, institutional problems, namely a lack of finance and staff capacity,

²⁷ “Capacity Development Technical Advisory Paper-2”, New York: United Nations Development Program, 1997, p. 3.

weaken the ability to function well.²⁸ Moreover, policies are largely ineffective because of over focusing on ‘big solutions’.²⁹ The policy makers, reformers, political leadership have repeatedly ignored the panorama of micro solutions aperture. Similarly, it is also true that focus on macro issues alone and devising micro solutions cannot be viewed as a panacea.

Value deficits: corrosion in the value-system

Massive corruption is another core governance problem in Bangladesh. Corrosion in the value-system has contributed to the rise of corruption in the country. The case of corruption is not only at the level of governmental institutions but also in different professional groups and the private sectors, *albeit* in varying degrees. Value deficits exist in the society in such a pervasive way that people have to learn how to complete a task by giving bribery to office employees. However, corruption is not a new phenomenon in Bangladesh. It is rooted in the colonial period when the British East India Company seized power in 1757 relying on a largely corrupt administrative system. The scenario is reflected in the words of the then governor of Bengal Robert Clive who regarded the employees of the company as "a set of men whose sense of honour and duty to their employers had been estranged by the larger pursuit of their own immediate advantages." Later in 1960s, during Pakistan period, so called Basic Democracy, particularly programmes like the distribution of food aid to finance rural development activities promoted by it, demonstrated the institutionalization of corruption at the local level.

After independence, corruption has become rampant reaching out different corners of the society. The return to parliamentary democracy in the 1990s has not resulted in the lessening of corruption, if not the

²⁸ See, for details, Kamal Siddiqui, *Local Governance in Bangladesh: Leading Issues and Major Challenges*, Dhaka: University Press Ltd., 2006; Kamal Siddiqui, et al, *Mega City Governance in South Asia: A Comparative Study*, Dhaka: University Press Ltd; GoB, Decentralised planning and resource allocation to Union *Parishad*: Lessons Learnt from Sirajgonj Local Governance Development Fund Project, Proceedings from National Workshop, Dhaka.

²⁹ Hossain Zillur Rahman, “Bangladesh 2015: Achievements and Future Challenges”, the Power and Participation Research Centre (PPRC), 2006, Dhaka, Bangladesh, p.11.

contrary. The Transparency International (TI), Political Risk Services, the World Economic Forum and the likes repeatedly emphasised on the prevalence of a high degree of corruption in Bangladesh. Governance indicators estimated by the World Bank³⁰ show very poor governance situation in the country. Table-1 shows governance indicators and income level of the country.

Table 1: Governance Indicators and Income in Bangladesh

PPP GNI Per capita 2005 US\$	GNI per capita (US\$)	Voice and Accounta bility	Political Stability	Government Effectiveness	Regulator y quality	Rule of Law	Control of Corrupt ion
2,090	440	-0.69	-1.24	-0.72	-1.15	-0.86	-1.09

Source: Kaufmann *et.al.*, (2005) and WDI (2006).

The World Bank estimates that 2-3% of GDP growth is lost due to corruption each year. Per capita income could double if the government restrained corruption. A Study on “*Unbundling Governance: Towards an Annual Report on Governance in Bangladesh*” conducted by Power and Participation Research Centre (PPRC), Dhaka shows the malicious reality of the governance pattern. It has documented that people have less trust in political parties, police administration, business class, government offices and medium level of trust on government media, local government, NGOs, judiciary and civil society organizations.³¹

Pervasive nature of corruption in Bangladesh has been depicted in a recent survey conducted by the Transparency International Bangladesh titled “*Corruption in Bangladesh: A Household Survey, 2005*”. While it is a partial picture of what is going on in the country, the Survey includes a large number of sectors and a wide variety of forms of corruption. The findings of the Survey are summarized in Table-2.

³⁰ Daniel Kaufmann, Kraay, A. and Massimo M., ‘Governance Matters IV: Governance Indicators for 1996-2004’, 2005, World Bank.

³¹ According to the PPRC report, 36.4 percent of the people have less trust in political parties, 67.3 percent in police, 43.3 percent in business class, 39.8 percent in government offices, 26.8 percent in government media, 19.2 percent in local government, 16.3 percent in NGOs, 16.1 percent in judiciary and 15.2 percent in civil society organizations. *The Daily Star*, 30 July 2006.

Table-2: Ways of Malpractices in Different Government Sectors in Bangladesh³²

Sectors	Forms of corruption
Education	<ul style="list-style-type: none"> • Students at the primary level pay admission fees whereas it is supposed to be free; • Students engage private tutors from the same institution where they enrolled; • A primary school student who is entitled for Government stipend has to pay to receive the stipend; • Girl students at the secondary level has to make similar payments; • Deducting a portion of government stipend by the authority; • Paying annual fee whereas it is supposed to be free; • Absence of teachers and students.
Health sector	<ul style="list-style-type: none"> • Outdoor patients pay bribes to doctors for receiving medical treatment at the public hospital; • Patients who has to undergo surgery in public hospital pay bribes; • Patients who needs diagnostic tests in public hospital pay bribes; • Absence of staff and doctors.
Land administration	<ul style="list-style-type: none"> • Buyers of land pay bribes for land registration; • Illegal payment for land mutation; • Illegal payment for collecting land related documents; • Illegal payment for land survey; • Illegal payment to receive <i>Khas</i> land.
Police department	<ul style="list-style-type: none"> • Illegal payment to lodge FIR to the police station; • Illegal payment for registering GD to the police station; • Illegal payment for getting clearance certificate from police; • Payment by accused person.

³² Based on “Corruption in Bangladesh: A Household Survey, 2005”, conducted by Transparency International Bangladesh, released on 20 April, 2005, available at: <http://www.ti-bangladesh.org/documents/HouseholdSurvey200405-sum1.pdf> accessed on 28 April 2007.

Banks	<ul style="list-style-type: none"> • Illegal payment in collecting loans; • Illegal payment in clearing remittance.
Taxation	<ul style="list-style-type: none"> • Bribes during payment of income, transport and holding taxes.
Service for electric supply	<ul style="list-style-type: none"> • Payment to use illegal connection; • Payment for getting electric line; • Payment for tempering meter reading to avoid paying; the due amount.
Local Government	<ul style="list-style-type: none"> • Payment to elected local government representatives holding <i>shalish</i> (mediation); • Payment for enrolling to receive relief; • Giving less quantity.
Pension	<ul style="list-style-type: none"> • Payment for processing pension.

Action deficits: inadequate and poor implementation of plans and strategies

In Bangladesh, the rate of successful implementation of development policies and plans is very poor. In most cases, policies are not sufficiently inward-looking with respect to setting of goals and objectives. The process of implementation is not adequately forward-looking as well. During the last three decades, Bangladesh has implemented four Five-Year Plans and a Two-Year Plan. Due to the lack of proper and real guidelines, most of the plans and strategies did not achieve targets. For instance, during the first Five Year Plan of 1973-1978, the curve of target and rate of implementation was very uneven. The targeted GDP growth rate and per capita income growth rate was respectively 5.5% and 2.5% but the actual rate was 4.1% and 1.1%. The third Five-Year Plan achieved a growth rate of only 3.8% instead of the target of 5.4%. The country is currently implementing several other administrative and institutional reform projects and economic development strategies. But due to lack of proper implementation, the success rates of development plans are very poor thereby contributing to the poor governance in Bangladesh.

Absence of multi-agent framework

There is a serious lack of multi-agent framework among government departments in Bangladesh, including the police, the judicial system, the

prison systems, the election commission, civil transaction authority, revenue authority, banking system, etc. The partnership process is like a blue moon between the governmental nodes. The whole governance apparatus has become bundled. As a result, most of the domestic endeavours, the prescriptions of donors and other development institutions have not been working effectively to ensure good governance and to some extent it has become ‘fragile dialogue’ in relation to the implementation of the aspiration of development administration.

However, above analysis demonstrates that the fundamental crisis of governance in Bangladesh comes from a variety of deficits ranging from democracy to value. Although a complex array of national and regional institutions, government and non-governmental departments or nodes are involved in the process, it ignores multi-agent framework of the actors. Inadequacy and unequal mobilization of resources, traditional ways and means and other motivational deficits are slowing down the performances of governance in Bangladesh. The strategic sectors are also packed. There has been excessive focus on macro issues in policy making. Most of the national policies are not yet localized. Particularly, a value deficit has been creating profound and pervasive corruption in different sectors. Increasing transparency and combating corruption are recurring themes to establish good governance. It is expected that working in partnership and promoting local institutions in the framework of microgovernance could make progress towards reducing corruption and enhancing the transparency in different strategic sectors in Bangladesh. Two issues are coming into the fore. First, there is a growing but largely unnoticed visibility of non-state actors in governance while the second issue involves in identifying the cases seen at micro-level addressing the problems of governance. The following sections deal with the stated issues.

4. The Emergence of Non-State Actors in Governance

Bangladesh is a developing country possessing an agro-based and low industrialized economy with dominant public sector. Considering the stakeholders of governance, primarily there have been observed two broad mechanisms of governance, state and non-state, involving a wide range of differing organizations and agencies for the delivery of public goods to the people. Although state has been disproportionately dominant in the hierarchy of governance, since the early 1990s, non-state

actors started getting engaged in governance. Currently, in Bangladesh, non-state actors register their presence in the domain of governance in many different ways such as market, hierarchy, networks, association etc. The NGO sector is diverse in terms of organisations and approaches.³³ The country hosts some of the successful and largest NGOs in the world like Bangladesh Rural Advancement Committee (BRAC), the Grameen Bank, and Proshika. The non-state actors are concerned with operating micro-credits and SMEs, environment and human rights issues, corporate social responsibility, labour regulation, governance of the manpower sector, consumer rights, private non-profit foundations, etc. Government policies and strategies in various sectors also promote non-state actors. For instance, the Industrial Policy of 1991, updated in 1999 and 2005, indicate the Government's desire to promote the private sector and act as a catalyst of private sector growth in Bangladesh. Currently, the Government has been focusing on privatization and proper utilization of resources to increase performance.

The phenomenon of non-state actors' empowerment generally dominates the agenda of donor agencies and countries. To them, civil society empowerment is largely concerned with good governance, democratization and privatization. Although there is a considerable debate about defining civil society empowerment, none can deny the increasing importance of this phenomenon in Bangladesh. The UNDP in its *Human Development Report 2005* has primarily attributed active partnerships between state and civil society for rapid human development in Bangladesh during 1990-2000. Some of the critical and micro-level challenges of governance in different sectors like education, healthcare, etc., are being addressed by the NGOs and Civil society Organizations better than the state. The micro-credit programs of Grameen Bank or non-formal education programs of BRAC are well known in the world. They are even replicated in many developing countries.

But the private sector is not effectively vocal in Bangladesh. In most cases, the private sector is fragmented. It has not been an effective voice against the mismanagement of public sector. As a result, due to the

³³ David Lewis, "On the Difficulty of Studying 'Civil Society': NGOs, State and Democracy in Bangladesh", Paper was presented at *the South Asian Anthropologists Group (SAAG) meeting* during 12-13 September 2001 at University College, London.

inefficiency of the public sector, the economic losses are huge in count. For instance, during garments labour unrest in Dhaka, around 4000 factories in Dhaka went on wildcat strike, 16 factories were burnt down by strikers and hundreds more ransacked and looted. The Chittagong Sea Port does not perform to its full potential making it three times less efficient than the Mumbai Port, India, and many times less efficient than other sea ports in South Asia. Furthermore, the NGOs, CSOs and business people are politically divided and, therefore, there is no basis for partnership or collective actions.

5. Cases of Microgovernance in Bangladesh

The Poverty Reduction Strategy Paper (PRSP) has recognized certain strategic sectors as well as governmental nodes to be reformed namely the police, judiciary, transport and many others. There is no denying the fact that all pervasive corruption resulting from poor governance is the major impediment to economic growth and development. There are examples of microgovernance model which have produced constructive result in response to the current problem of governance in Bangladesh.

5.1 Microcredit

The first case of microgovernance is related to the emergence of microcredit which has deeper impact on macro issues. The micro-finance institutions (MFIs) have achieved a degree of success with much of institutionalization. They have successfully faced the problems of the issues of power, control, and transparency, as well as problems of cash flow within a short track. It has emerged as a mainstream development intervention for addressing poverty alleviation and women's empowerment.³⁴ Microcredit's contribution in capacity building,

³⁴ See, for details, Dichter T. 1999, "Non-governmental Organisations (NGOs) in Microfinance: Past, Present and Future", Available at: www.esd.worldbank.org/html/esd/agr/sbp/end/ngo.htm accessed on 20 September 2006; Amin R., S. Becker and Abul Bayes, "NGO-Promoted Microcredit Programmes and Women's Empowerment in Rural Bangladesh: Quantitative and Qualitative Evidence", *The Journal of Developing Areas*, Vol. 32, No. 2, Winter 1998, pp. 221-236; Hulme D. & P. Mosley, *Finance Against Poverty*. Vol. I & II, London: Routledge, 1996 ; Hashemi S.M., S.R. Schuler & A.P. Riley, "Rural Credit Programs and Women's Empowerment in

awareness raising and empowerment is notable. Mark M. Pitt *et al* identify how group-based micro-credit programs influence women's autonomy and gender relations in the society. They observe:

“... credit program participation leads to women taking a greater role in household decision making, having greater access to financial and economic resources, having greater social networks, having greater bargaining power compared with their husbands, and having greater freedom of mobility. Female credit also tended to increase spousal communication in general about family planning and parenting concerns.”³⁵

The micro-lending programs, giving women access to loans, many times as little as \$75 to \$125, is giving poor women the means to start or expand micro-enterprise activities like buying and selling milk, sewing clothes, husking rice, etc. Even a token increase in a woman's ability to generate income has not only been seen to reduce the mental and physical torture of women. In any cases, it has stopped altogether. The micro-credit programs and its critical role in the society have become much-favored among international development organizations. It has been treated as a new paradigm of economic development and social mobilization. With the help of micro-credits, increasingly the rural women are being translated into a labor force and a contributor to national economy.

Bangladesh”, *World Development*, Vol. 24, No 4, 1996, pp. 635-653; Kabeer N., “Money Can't Buy Me Love”? Re-evaluating Gender, Credit and Empowerment in Rural Bangladesh”, *IDS Discussion Paper*, No 363, 1998 ; Johnson S. & B. Roglay, *Microfinance and Poverty Reduction*, Oxfam, UK1997; Johnson S., “Microfinance North and South: Contrasting Current Debates,” *Journal of International Development*, Vol. 10, No 6, 1998, pp. 799-810; Mayoux L., “Women's Empowerment and Micro-Finance Programmes: Approaches, Evidence and Ways Forward,” *DPP Working Paper*, No 41, 1998; Rahman A., “Micro-Credit Initiatives for Equitable and Sustainable Development: Who Pays?”, *World Development*, Vol. 27, No. 1, 1999, pp. 67-82; Wright G.A.N., “Examining the Impact of Microfinance Services – Increasing Income or Reducing Poverty,” *Small Enterprise Development*, Vol. 10, No. 1, 1999, pp. 39-47.

³⁵ See, for details, Mark M. Pitt, Shahidur R Khandker, and Jennifer Cartwright, "Does Micro-Credit Empower Women? Evidence from Bangladesh", *World Bank Policy Research Working Paper*, No. 2998, March 2003, Available at: <http://ssrn.com/abstract=636360>.

A survey shows that the borrowers and even those who are drop-outs, are economically empowered and politically and socially more conscious than non-borrowers in the society.³⁶ Another study shows that women's participation in micro-credit program leads to women playing a greater role in household decision-making, greater access to financial and economic resources, greater social networks, and getting greater freedom of mobility in the society.³⁷ A survey conducted by the Association for Social Advancement (ASA) among 1200 women micro-credit borrowers in 1998 conclusively shows that the borrowers' capacity has increased, their awareness has improved and the women are empowered in economic and social matters. A report on the '10 years of World Bank support for micro-credit in Bangladesh'³⁸ shows that it has reached more than 6 million poor in Bangladesh, out of which 90% are women, through microfinance projects.

Microcredit is not only a tool for economic development but also a movement to enhance social capital, capacity and awareness at the micro-level of the society. It raises peoples' participation in socio-political and development activities. The peaceful social mobilization is contributing to establish a just and corruption free society as well as enhancing social participation in governance mechanism. It is more than a breakthrough to avoid illegal transaction of money to sanction a loan from any traditional commercial bank. However, many contributions are still beyond quantifiable. It is also contributing to enhance the performance of governance in financial aspect from below through socio-economic transformation of rural Bangladesh.

³⁶ M. Aynul Islam, "Globalization and Women in Bangladesh: Towards Empowerment or Marginalization?", Paper presented at the International Seminar on *Women's Situations and Women's Studies in South Asia* on 18-19 December 2006 at the Centre for Women's Studies (CWS), North Bengal University, Siliguri, West Bengal, India.

³⁷ See, for details, Mark Pitt, M., Khandker, Shahidur R. and Jennifer Cartwright, *op.cit.*

³⁸ The World Bank, "10 Years of World Bank Support for Microcredit in Bangladesh," Available at: <http://web.worldbank.org/wbsite/external/countries/southasiaext/0..contentmdk:21153910~pagepk:2865106~pipk:2865128~thesitepk:223547,00.html> accessed on 09 January 2007

5.2 Changes in Stamp Act

The change in the age-old Stamp Act has contributed to simplify land related matters — registration, printing of stamps, selling of stamp etc. It is well known that corruption is widespread in the land administration in Bangladesh. It is commonly held that buyers and sellers of land have to pay bribes for land registration, land mutation, and even for collecting land related documents. The land reform agenda is on the table for a long time but it is not moving forward. The reform in the Stamp Act has led to cost savings for the government, removed some of the institutional sources of corruption around the printing, distribution and imitation of stamp papers, and lessened the bureaucratic load on the sub-registry offices. It has also reduced the hassle for the buyers and sellers of land. Such small solutions serve to improve the quality of governance as a process.³⁹

5.3 Initiatives on environment

Initiatives in environmental sector such as ban on the use, production and marketing of polyethylene shopping bags all over the country to uphold and conserve environment in 2002 was a historic step towards achieving sustainable development. Also, the introduction of four-stroke CNG run vehicles in Dhaka city, use of low sulphur content coal as fuel, installing chimney with the height of 120ft in the brick kilns, promoting the manufacture of concrete block brick, use of Catalytic Converter and Diesel Particulate Filter for Petrol and Diesel driven vehicles, ban on plying Bus, Minibus, Microbus, Taxi older than 20 years and Truck, Mini truck, Tank lorry, Van older than 25 years in Dhaka City from 1 January 2002 brought about success of microgovernance in environmental sector. The common people overwhelmingly supported these decisions. In effect, the environmental policies and plans are there and the industrial policy has been updated. However, the rate of their implementation and success is very slow.

5.4 Innovations in local governance

Another example is the direct fund allocation to the Union Parishads (UPs). Funding and funding methods are greatly important to empower

³⁹ Hossain Zillur Rahman, “Road to 2015: MDG Prospects”, *The Daily Star*, Dhaka, 7 March 2006.

local government institutions (LGIs). Without empowering LGIs, the goals of development cannot be achieved properly. The UPs receive funds from the government Annual Development Program (ADP) paid in instalments called block grants. This financing system is full of ambiguity creating serious setbacks in development activities. Money does not reach the UPs directly; rather it is channelled through Upazila authorities. So, the administrative and political interference may slow down the development activities. The criteria for allocation are also vague and the distribution process is not free from biasness due to the control of administration. Thus, corruption at the project level and delay of implementation has been obstructing the performance of local governance. Sirajganj Local Governance Development Project (SLGDP), implemented during 2000 to 2006, was the best innovative model of improvement in UP service delivery and people's participation in local self-governance. One of its core innovations was performance-based funding to the UPs, which had been directly transferred to the UP accounts as block grant in Sirajganj district. The other innovations were infrastructure and service delivery mechanism which has ensured people's participation in local level planning, budgeting and implementing development schemes. These resulted in awesome successes in ensuring transparency and accountability in fund use, reducing corruption drastically, and thereby notable improvement in local governance.⁴⁰ Heavily inspired by these overwhelming successes of innovation in microgovernance, the government has made decision for direct allocation to selected UPs under Local Governance Support Project (LGSP), aiming to empower the UPs, the second-lowest tier of the LGIs. Under this project, all the UPs will gradually receive the annual block allocation directly from the central government. The process is designed to reduce corruption. It will reduce delay in project approval and implementation, and facilitates people's participation in local expenditure, policymaking and budgetary processes. This would also develop participatory planning and budgetary system to prioritise development schemes.⁴¹

⁴⁰ Atiur Rahman, Mahfuz Kabir, Taiabur Rahman and Saiful Islam, *Sirajganj Local Governance Development Project: Power to People, Development From Below*, Government of Bangladesh, UNDP, UNCDF and Unnayan Shamannay, Dhaka, 2007 (forthcoming).

⁴¹ Hossain Zillur Rahman, *op.cit.*

5.5 Incentive based delivery of basic utilities

The implementation of incentive-based system in strategically important sectors such as primary education, health care, etc. has brought about successes in delivery of basic services. Government and development partners are closely involved in implementing various programmes related to these sectors. It is widely believed that the country has achieved enormous success in primary education since the early 1990s due to several initiatives by the government, donors and other non-state actors.⁴² One of such programs is educational stipends for the primary and secondary girl students, which has emerged as a major success in the country. Under the Female Sub-Stipend Program,⁴³ the Government pays stipend to girl students on the basis of their attendance in school. As a result, during the last decade, primary and secondary student enrolments have dramatically increased.⁴⁴ It has also contributed to improve gender balance and to expand public budget for education. At the local level, there is also scope for community participation in the government primary school management. Selected community representatives have got opportunity to get involved in the school management committees. Primary schools have also parent-teacher associations.⁴⁵ Another incentive-based initiative is the community management of water in Dhaka.

⁴² Since 1982, Non-Government Organizations (NGOs) and the Government have been implementing several innovative education programmes which resulted in enormous success in Bangladesh. Key programmes are: (i) two types of Non-Formal Education Programme by BRAC-one is a 3 year NFE schools for 8-11 years old children, and 2 year adolescent schools for 11-14 years old; (ii) NFE Programme by Proshika for 8-11 years old children; (iii) GoB operated Stipend programme for poor children, stipend program for all girls under different projects; (iv) Dhaka Ahsania Mission's Alternative Primary School Programme; and (v) UCEP Schools for under-privileged children of the age group 6-14 years etc.

⁴³ Raynor, Janet, Wesson, Kate, "The Girls' Stipend Program in Bangladesh", *Journal of Education for International Development* 2:2, 2006, Available at: <http://www.equip123.net/JEID/articles/3/Girls'StipendPrograminBangladesh.pdf> accessed on 28 April 2007.

⁴⁴ The primary school enrolment rate is approximately 94% but only 76% students complete class five. The rate of drop-out is 23.6%, See, the UN Millennium Development Goals Indicators 2004, updated in June 2006.

⁴⁵ See, for details, www.usaid.gov/bd.

5.6 Civic activism on budget

Finally, the case of pre-budget consultation gives some idea to understand the relevance of microgovernance. Like ‘neighbourhood meetings’⁴⁶ at Porto Alegre of Brazil to decide local priorities and to elect representatives to negotiate with other neighbourhoods, and the farmers’ meeting with finance ministry, NGOs, district and local governments to setting priorities for the national budget in Uganda,⁴⁷ the pre-budget consultation in Bangladesh is another important initiative to ensure equal and pertinent distribution of resources. Bangladesh has started the process of dialogue between the finance minister and different professionals, business groups and civil society organizations before the formal presentation of budget before the national parliament. Although it is basically a state led initiative, it contributes to ensure equal distribution of resources and proper utilization. Civic participation in sub-national budget is also taking place, particularly centering on UPs and some municipalities, local people are taking part in open budget sessions. These have been contributing to enhance local governance through increased transparency and accountability of the LGIs.⁴⁸

There are other examples in Bangladesh that include local government reforms, criminal justice reform, recently introduced Legal Service Delivery System in police forces, etc. The Legal Service

⁴⁶ Neighborhood Meetings is a part of framing participatory budget in Brazil which involves three parallel sets of meetings- neighborhood assemblies, thematic assemblies, and meetings of delegates for city-wide coordinating sessions. See, for details, Rebecca Abers, "From Ideas to Practice: The Partido dos Trabalhadores and Participatory Governance in Brazil," *Latin American Perspectives*, 23,4, Fall 1996, pp. 35-53; William W. Goldsmith, "Participatory Budgeting In Porto Alegre, Brazil", *Feature*, Planners Network, Available at: http://www.plannersnetwork.org/publications/2000_140/goldsmith.htm accessed on 9 August 2006

⁴⁷ Beatrice Egulu and Peter Ebanyat, "Policy Processes in Uganda and their Impact on Soil Fertility" *Discussion Paper*, International Institute for Environment and Development (IIED), Edinburgh, United Kingdom, Available at: http://www.poptel.org.uk/iied/docs/drylands/soils_16.pdf accessed on 9 August 2006

⁴⁸ See, Atiur Rahman, Mahfuz Kabir and Mohammad Razzaque, "Bangladesh: Civic Participation in Sub-National Budgeting", in Anwar Shah (ed), *Participatory Budgeting*, Vol III, World Bank, Washington, D.C., 2007, pp. 1-29.

Delivery System in police forces is an innovative strategy towards restoring peoples trust and confidence. Under this system, the confused or indigent city-dwellers will get legal and other necessary support from the police station.

6. Implications of Microgovernance for Bangladesh

The examples as explained above have profound impact on society, polity and economy of Bangladesh. It gives a new dimension to understand the governance debate in Bangladesh. Most importantly, these cases clearly demonstrate that there are several benefits of microgovernance for the country.

First of all, microgovernance involves working through simple process and horizontal networks that embodies diverse cooperative arrangements involving both state and non-state actors. It enhances effective organizational coordination and generates policy creativity in governance mechanism. During the past five to ten years, the diversity of actors has been found in horizontal governance in Bangladesh.

Second, it ensures wider participation of the stakeholders which give rise to the emergence of new actors and agencies in human activities. LGIs and a range of stakeholders with different interests and backgrounds, including NGOs, professional associations, volunteers, service organizations, and the private sector are now visibly involved in the governance process in Bangladesh. Moreover, it creates opportunities for ordinary citizens to participate continuously and directly in the governance framework of strategically important sectors in Bangladesh.

Third, microgovernance framework is an innovative solution to redressing deep-rooted corruption agenda that contains elements of mobilizing operational actors. It can be possible by rekindling an ethically committed administrative and political class as well as deepening a social discourse to face value deficits in governance system in Bangladesh. It creates more scope for transparency and accountability of the actions by the local actors.

Fourth, in practice, the microgovernance variables are highly correlated with measures of the quality of the rule of law and the absence of corruption.

Fifth, the micro-governance arrangement in combination with demand-side efforts is giving the poor a chance to articulate and mobilize their most immediate concerns. In this regard, the micro-governance arrangement is pro-poor governance in nature that empowers the poor by building institutions for local representation. It also leads to mounting opportunities by ensuring downward accountability, flexible delivery and development of local capacity. Thus micro-governance initiatives are producing material improvements in well-being and reveal the poor citizens' capacity for good governance.

Sixth, it offers better scope for manageability by reducing continuity deficits which is a crucial factor behind the effective implementation of programmes and policies.

Seventh, to facilitate the implementation of widespread governance improvement measures, the promotion of micro-governance can be an important option for Bangladesh by enhancing potential networking to ensure institutional quality of strategic public sectors.

Finally, the microgovernance structures support deliberative processes for identifying, analysing and acting upon threats to human security in the ways that contribute to the societal and economic outcomes at the community level in Bangladesh.

7. Concluding Remarks

The paper has demonstrated that Bangladesh has much to contribute to the emerging debate on governance. In this regard, microgovernance can be an effective tool for its successful intervention in resolving local problems. Bangladesh is demonstrating evidence of pluralistic participation by promoting the institutions of microgovernance in different sectors. Strategically selected micro solutions have been generating noticeable outcomes that can build reform momentum. In order to face generic challenges of governance in Bangladesh like huge corruption, inefficiency, unaccountability, or deficits of capacity, resources, motivations, values, actions, and ensure achievements in these fields, the promotion of microgovernance institutions is a necessary prelude. The design and implementation of national policies and strategies depend on how it includes the micro-level realities and how institutions of microgovernance can accommodate them. Thus, it may be argued that microgovernance involving a full range of public, private and

voluntary sector organizations opens up new horizons for understanding the dynamics of governance in Bangladesh. Above all, it makes use of a wide policy instruments which may result in an enhanced ability to respond to new challenges or change circumstances leading to better policy outcomes.