Good Enough Coherence? Six lessons from Good Governance for policy coherence and the 2030 Agenda[1]

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Abstract

Policy coherence for sustainable development (PCSD) presents an ambitious development proposition. This article draws six relevant lessons from the shift from Good Governance, another ambitious development agenda, to the more politically grounded and actionable agenda of Good Enough Governance.

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> *"Complex systems comprise many moving parts that interact with one another and change together, triggering outcomes that cannot be precisely controlled or predicted." Yuen Yuen Ang, How China Escaped the Poverty Trap, p. 10*

Policy Coherence for Sustainable Development (PCSD) has made it into the architecture of the Sustainable Development Goals. It is not an objective as such, but rather a conduit to achieve this comprehensive set of goals. Countries and stakeholders committed to the 2030 Agenda who seek to operationalize PCSD are struck by the sheer complexity and extreme level of ambition. In that sense, a parallel can be drawn between PCSD and an earlier experience with another ambitious development proposition, the Good Governance Agenda. Good Governance (GG) resonated strongly within the donor community, but was soon criticised for its unwieldy ambitions, poor development theory and for being detached from country realities such as the deeply political nature of needed reforms. This article suggests that policy makers could do well to draw some lessons from the essentials of the Good Enough Governance agenda when working with PCSD."

From good governance to good enough governance

The good governance paradigm of the nineties focussed on institutional preconditions to underpin economic and political development. It presupposed a range of essential and ambitious public sector reforms for development and poverty reduction. This "essentialist" agenda included a comprehensive list of all positive public sector features "from institutions that set the rules of the game for economic and political interaction, to decision-making structures that determine priorities among public problems and allocate resources to respond to them, to organisations that manage administrative systems and deliver goods and services to citizens." [2]

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[2] Grindle, M. 2004. *Good Enough Governance: Poverty Reduction and Reform in Developing Countries",* in: Governance: An International Journal of Policy, Administration and Institutions. Vol. 17:525-548

With her 2004 paper "Good Enough Governance: Poverty Reduction and Reform in Developing Countries", Harvard international development professor Merilee Grindle stirred up debate around the consensus on good governance. Grindle criticised GG for mistaking ends for means, and saddling reformers and their external supporters with an impossible reform agenda. Her "good enough" approach squarely dismissed the idea that GG is a precondition for development, economic growth, democratisation etc.

The GG agenda, moreover, was deemed to be over-designed and unrealistic, failing to answer the basic question: "Given limited resources of money, time, knowledge, and human and organisational capacity, what are the best ways to move towards better governance in a particular country context?" (Grindle, 2004: p. 525).

Since 2004, the body of evidence and the good enough governance (GEG) agenda have expanded and brought about some major shifts away from the GG assumptions about development. Two major shifts include:

Shift 1: From good governance to good fit

The emphasis shifted from blueprint, ideal-type governance solutions to analysing *why* things are the way they are. Various academic disciplines were purposefully combined to understand *where a country is,* rather than imagine where it *ought to be.* The resulting political economy analysis focused more sharply on power, politics, ideas, institutions and incentives, as well as foundational factors in specific country contexts and particular sectors, and in relation to solving policy issues or development puzzles.

Shift 2: From technically feasible to politically grounded

There is increased recognition that policy effectiveness comes about when the technically feasible is aligned with the politically grounded. This implies a greater sensitivity as to what brings about political traction behind particular policies and implementation arrangements. More attention is also devoted to analysing and understanding what accounts for administrative pockets of effectiveness, as these help develop policy effectiveness. One of the findings is that, even in the absence of comprehensive public sector reforms, there is potential in weak governance systems for incremental, step-by-step reforms.

The World Bank's landmark World Development Report 2017 on *Governance and Law*[3] presents a valuable synthesis of "post good governance" thinking. It stresses that effective policies are driven by key institutional functions shaped by context-specific bargaining, power plays, coalition building and trade-offs between ruling elites, state bureaucrats and sector actors. These domestically shaped policy arenas evolve over time and are further influenced by globalisation and other external factors. Comprehensive, best-practice institutional blueprints have lost some of their attractive glow, as they failed to grow capabilities through policy experimentation, self-correction and incremental learning for policy effectiveness – and potentially policy coherence.[4]

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[3] World Development Report. 2017. *Governance and Law.*

[4] Booth, D. and Cammack, D. 2013. *Governance for Development in Africa. Solving Collective Action Problems;* ESID, 2017. *Public sector reform in Africa: Understanding the paths and politics of change.* ESID Briefing No 28

From policy coherence to good enough coherence

Why is this relevant for PCSD?

A concern with policy coherence in the development discourse has existed for some time. The concept rose to new prominence in the SDG debate as PCSD, where it is seen as a "means of implementation" and a target (17.14) of the 2030 Agenda. The multi-faceted and integrated nature of the SDG agenda, however, makes PCSD more complex than its uni-directional precursor, policy coherence for development (PCD).[5] The findings and lessons emerging from the GEG agenda and its criticism of good governance can be useful for the PCSD agenda.

First, Grindle recognised that good governance is a powerful idea. Who does not want institutions that are fair, judicious, transparent, accountable, participatory, responsive, and effectively and efficiently managed?[6] In a similar way as GG was seen as a "mighty beacon of what ought to be", PCSD is also a powerful and seductive idea, suggesting that all policies should be coherent with each other. But projecting a need for ideal-type good governance institutions and ideal types of policy coherence does not show the way to reaching them. Good governance created high expectations and an unwieldy agenda, without offering guidance on the steps required for a country to become like *"Sweden or Denmark on a good day".*[7]

Grindle's critique of overly elastic and aspirational concepts "that grow in inclusiveness as they become popular" (Grindle, 2008) can also be applied to PCSD. Rather than getting stuck on what ought to happen, GEG pushes for answers to the question of which policy measures deserve priority in a particular context. Both GEG and the generation of political economy approaches to context analysis that followed in its wake unashamedly embrace complexity. In analysing the interactions between structural factors, institutions, incentives, political power games, agency and external variables affecting domestic change trajectories, context analysis provides clues to gauge the technical and political feasibility of change and reform trajectories.[8] This approach recognises that not all governance deficits and reforms can or need to be tackled at once, and takes into account that achievements can also be reversed.

Six implications for Good Enough Coherence

There are thus six lessons from the good enough government proposition that can be useful in promoting policy coherence and tackling the PCSD target of the 2030 Agenda.

First and foremost, **do not allow visions of ideal end states to cloud realism about feasible pathways** to improving policies and policy implementation. This is the main lesson that promoting policy coherence can learn from the shift from GG to GEG. As with the GEG approach, explicitly prioritising good enough coherence may help policy-makers practice the art of the possible and reach "the sweet spot between what is technically sound and what is

[5] Mackie, J., Ronceray, M., Spierings, E. 2017. *Policy coherence and the 2030 Agenda: Building on the PCD experience.* (Discussion Paper 210). Maastricht: ECDPM.

[6] Grindle, M. 2008, *Good Governance: The Inflation of an Idea*

[7] Matt Andrews, a student of Grindle, provided this analogy of Good Governance, i.e. *Sweden or Denmark on a good day.* in: Andres. M. 2008, *The Good Governance Agenda: Beyond Indicators without Theory.* Oxford Development Studies, Volume 36, 2008 - issue 4 (pages 379-407)

[8] See among others: Levy, B. 2014. *Working with the Grain: Integrating Governance and Growth in Development Strategies;* Levy, B. and Fukuyama, F. 2010 *Development Strategies: integrating Governance and Growth.* Policy Research Working Paper, No 5196. World Bank

politically feasible".[9] In other words, policy-makers tackling the integrated policy world of the SDGs should not be blinded by the sheer impossibility of making all policies coherent with each other, but rather focus on two or three other key sectoral policies where good enough coherence with their own policy area can make a real difference.

A second lesson is the importance of **recognising that context matters**, however attractive best-practice models for institutional reforms or policy coherence may seem. Good enough coherence could shift the focus from blueprint models to context-specific conditions in which certain degrees of policy coherence are feasible, but a more ambitious alternative may not be.

The third and fourth lessons relate to **the importance of understanding two basic dimensions that shape the contextual conditions for policy effectiveness and policy coherence**. One dimension relates to how patterns of power, incentives and bargaining between ruling elites and society influence public authority and the ability of institutions to deliver credible outcomes (WDR 2017). In other words, **do core state institutions have both the capability and the authority**[10] to provide public goods, or to engage in the incremental processes of developing pockets of coherent policies, which are often the product of deeply political processes.

Another basic dimension that sets the boundaries or influences the course of the bargaining process and the decision logics of ruling elites is **structural factors and external variables beyond the control of domestic actors**. These include, for example, natural endowments, climate change, the effects of globalisation, etc. Deepening insights into these interacting dimensions may help identify the margins of manoeuvre, the agency of relevant stakeholders, potential coalitions and pockets of bureaucratic capabilities that can support policy coherence in particular policy arenas.

A fifth lesson relates to the reality that **all policy choices aim to encourage or block change to a greater or lesser extent and involve stakeholders with differing interests.** These choices therefore inevitably create winners and losers and generate contestation. Only rarely can solutions be found whereby everyone gets what they want. Thus, rather than achieving "perfect" coherence, compromises need to be made, synergies found and optimal balances crafted. Policy solutions that emerge are therefore clearly in the domain of "good enough coherence".

The last insight in line with GEG thinking is that dynamics shift and change over time in unpredictable or contingent ways. This implies that **good enough coherence should be adaptive and flexible over time**. Current conditions may allow for a certain level of GEC now, but in a couple of years or even just a few months, conditions may change and a more effective or higher level of good enough coherence may become feasible.

[9] Kossoff, S. 2015. *Busting 5 myths on political-economy analysis.* World Economic Forum. 27 March 2015

[10] Andrews, M., Pritchett, l. and Woolcock, M. 2017. Building State Capability. Evidence, Analysis, Action; Chapter 9 explores the importance of authority and what the authors call an 'authorising environment' for the design and implementation of policies.