

TRENDS & INNOVATIONS IN GOVERNANCE

BUILDING
TRUST
IN GOVERNMENT

Innovations in Governance Reform in Asia

EDITED BY

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Building trust in government: Innovations in governance reform in Asia

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1

Building trust in government: An introduction

G. Shabbir Cheema

“Building trust in government is at the core of the world’s quest for peace and well-being. The ability of the global community to achieve the Millennium Development Goals, ensure security, and promote adherence to basic standards of human rights depends on whether or not people have confidence in their governments.”

Ban Ki-moon, United Nations Secretary-General, at the 7th Global Forum on Reinventing Government, 2007

Despite its importance, public trust in government and political institutions has been declining in both developing and developed countries in the new millennium. According to the BBC/Gallup International in 2005, global dissatisfaction with government had reached 65 percent in Western Europe, 73 percent in Eastern and Central Europe, 60 percent in North America, 61 percent in Africa, 65 percent in Asia and the Pacific, and 69 percent in Latin America (see Reynolds 2005). In particular, global citizenry has insufficient confidence in political parties, parliaments, and judicial systems, while more trusted institutions are churches, universities, and order institutions, such as the armed forces. Lower levels of trust in government raise the question of why they have fallen and how they can be strengthened. This situation has prompted a new look at the role of trust, as well as its relationship with governance and ways of restoring and rebuilding trust in different contexts.

This publication seeks to answer many of the questions raised in reference to means of strengthening trust in government within the Asia-Pacific region; trust deficits can depend upon country- and region-specific

variables. In developing countries, weak systems and processes of democratic governance, as well as inadequate access to services and economic opportunities, tend to erode trust in government. In the developed countries, however, citizens have greater access to information and higher levels of education and thus demand more transparency, accountability, and participation. In most of the developed countries, trust in government is associated with citizen disagreement with government policy (United Nations 2007a).

To explore these considerations, the contributors to this book provide various perspectives on the causes of declines in trust, on countries and institutions that have managed to maintain higher degrees of confidence, and on measures that have played an important role in strengthening trust once it has faltered. Following an introduction to trust at the theoretical level (Chapters 1 and 2), more in-depth analyses of trends within the four sub-regions of Northeast Asia, Southeast Asia, South Asia, and the Pacific Islands are undertaken (Chapters 3–6). These reviews are then complemented by country studies of specific innovations and reform measures that have influenced the process of building trust in government (Chapters 7–10). The final chapter presents conclusions.

Global and regional context

The search to strengthen trust in government takes place within a global context of the United Nations conferences and summits that were held in the 1990s, as well as the historic UN Millennium Summit Declaration. These events have led to a vision of shared development priorities, a normative framework, and time-bound targets encapsulated in the Millennium Development Goals; i.e. the eradication of extreme poverty and hunger, the achievement of universal primary education, the promotion of gender equality, the reduction of child mortality, the improvement of maternal health, the fight against HIV/AIDS and other diseases, environmental sustainability, and the promotion of a global partnership for development.

As the world population increases and becomes more interconnected, the need to strengthen understanding, ensure mutually beneficial interdependence, and promote cooperation has become the principal challenge of the twenty-first century. At the same time, a related challenge has arisen as to how to incorporate marginalized groups, including the poor, into the policy process to ensure that governance is truly representative and participatory and benefits all members of society. Where governance processes are exclusionary, intrastate conflicts and violence within the country can negatively impact regional security and peace. Within this

context, the issue of how to build trust in government and trust between socioeconomic actors has emerged as an increasingly relevant issue in both developed and developing economies. In particular, there is an essential need for strategies that help develop and strengthen trust as the basis for social cooperation and joint advantage.

Following the publication of Fukuyama's *Trust: The Social Virtues and the Creation of Prosperity* in 1995, levels of trust in government in Asia, and particularly in East Asia, were generally considered to be higher than in many other regions of the world and therefore not requiring additional attention. However, several new issues emerged over the course of the 1990s that illustrated new challenges within the region that had indirectly and directly decreased the confidence of citizens in their governments.

In particular, many countries within Asia had begun to experience a divergence between citizens' increased expectations for the role of the state and the functional capacities of governments. This divergence was deemed to be directly responsible for the growing trust gap. The increased expectations of citizens were a product of globalization, liberalization processes, and the information and communication revolution, which had led to greater demands from citizens in terms of the way governments should perform and what they should accomplish.

Coupled with this phenomenon, many countries within the region had experienced a process known as the "hollowing out of the state." Although many countries had begun to implement widespread reform measures, such as decentralization and privatization, these reforms were not accompanied by a sufficient strengthening of capacities. Hence, even though the degree of reform is very high within the region, the capacity to carry out these reforms is low in many cases. This situation has led to greater fragmentation, complexity, and interdependence while weakening the power of the executive branch.

One of the central conclusions emerging from recent regional conferences organized by the United Nations on reinventing government has been that most countries within Asia and the Pacific, as elsewhere, are not fully capable of responding to citizen demands. Significant governance capacity development is needed alongside reform processes in order to improve transparency and accountability and ensure that the public sector is both ready and able to embark upon a more collaborative approach, based on the contributions of all governance partners.

Many current human development challenges within the Asian region are closely linked to the need for improvements in governance. For example, in cases where populations have insufficient access to basic services, this disconnect has been attributed to: a failure of accountability at different points in the service delivery chain; the bulk of public spending

in healthcare and education often going to the non-poor; considerable “leakage” tending to occur before subsidies reach their intended targets; and often high absentee rates for service providers (Chaudhury and Devarajan 2006). In coming years, such factors as population growth and climate change will provide additional obstacles to the maintenance and reconstruction of trust in government within the region, taxing both infrastructure and governance systems. Over the next few decades, hyper-urbanization is expected to continue and the region may account for some 60 percent of the world’s population by 2050 (UN-HABITAT 2009).

Within this general context, it will be essential to start prioritizing both governance and trust as better means to confront existing and emerging challenges – including the need to develop and evolve joint understandings on the role of the state, civic responsibilities, the importance of transformative and collaborative leadership, and human resource development.

Defining trust

Trust as a multifaceted concept refers to a basic consensus among members of a society on collective values, priorities, and differences and on the implicit acceptance of the society in which they live. It also refers to citizens’ expectations of the type of government that they should have, how government should operate and interact with other social and economic institutions and citizenry, and the behavior of political leaders, civil servants, and citizens. When citizens have higher expectations, as is often the case in relation to parliaments and elected representatives, these expectations are less easily met and often result in a decline in confidence. In contrast, lower expectations for a specific institution can mean that it is relatively easier to maintain trust.

When trust has been damaged, the restoration process can be slow and difficult. Institutions and policymakers then face the challenging task of setting achievable goals, using sustainable processes, ensuring the legitimacy of policy objectives through participation in policy formation, transparently communicating these objectives and implementation measures to the populace, demonstrating accountability for measures taken, and maintaining their commitment to the process as a whole, when new circumstances and contingencies arise that make continued implementation difficult. As such, trust is closely linked to the credibility of public policy and institutions.

To embark upon a discussion of trust in government, the definition of trust must first be qualified. Contributors to this publication have offered

five alternative trust dimensions as an entry point for discussions on trust: moral trust, with a focus on ethics and morality; economic trust, with an emphasis on economic efficiency and non-partisanship; political trust, with the stress on political legitimacy; social trust, focusing on the catalyzing effects of social capital; and technological trust, concentrating on how technology can bring about more democratization.¹ Governance strategies that address these five dimensions are expected to strengthen citizen trust in government.

Trust in government can be further evaluated via four additional sub-dimensions: goodwill trust, competency trust, procedural trust, and performance trust. First, citizens have goodwill trust when leaders and organizations have made an effort to be participatory, inclusive, and reliable in their responsiveness to citizens. As a result, citizens believe that the leader or institution is looking out for their best interests. Second, citizens have competency trust when leaders and institutions appear capable of fulfilling their mandates and carrying out their responsibilities, irrespective of whether or not the citizens believe that the leaders and institutions are governing in their own best interests. Hence, competency trust relates to the perceived expertise of the leader or institution, as well as to speed or accuracy in fulfilling duties and mandates. Third, procedural trust refers to the regularity and consistency with which leaders and institutions follow established rules, laws, regulations, guidelines, and stated procedures. Finally, performance trust implies confidence in the overall productivity, output, and outcomes of the leader or institution. Different types of innovations can be selected to address specific trust deficits in each of the four areas.

A further distinction exists between types of trust in different government institutions. Citizens commonly have markedly different expectations of representational institutions, such as the parliament, and order institutions, for example the military, the police, and the judicial system (Rothstein and Stolle 2003). Although order institutions may tend to receive greater trust, according to results from the sub-regional reviews, this is not because their governance practices are necessarily better. Good governance, including good public sector management, helps to reduce uncertainty, because citizens understand public policy and have faith that their basic environment will remain stable or even improve. Order institutions, such as the military and the police, often rank highly in trust surveys because their main concern is increasing order, reducing uncertainty, and handling risk management. In contrast, representational institutions, such as parliaments, often face higher and more varied expectations from their constituencies.

Demographics can also provide a partial explanation for changes in levels of trust. On the one hand, studies of advanced industrialized

countries have indicated that skepticism toward government tends to increase with age and income level. This phenomenon may help to provide part of the explanation for the recent declines in trust in Japan and the Republic of Korea mentioned in the sub-regional review for Northeast Asia. On the other hand, the sub-regional review for the Pacific Islands indicates that generational issues might be having a different impact in this area, because the “younger generation” is thought to have less trust in traditional leaders than their forefathers.

Determinants of trust

There are many determinants of trust in government. Their relative effect on promoting or inhibiting trust depends upon global, regional, and country contexts. Factors that determine an increase or a decline in trust in government can be divided into five categories.

First, effective policies and implementation mechanisms yield positive results for society and create an environment of trust in government. The credibility of and support for public policies inspire public trust and create a level playing field for businesses, thus contributing to efficient markets and economic growth. In the advanced democracies of the West, for example, a significant part of trust in government can be explained by the extent of public support for a set of policies. With high levels of access to information, citizens are well positioned to hold the government accountable to the results of its policies. Where policies are ineffective, public cynicism and distrust increase, even when the government in power has political legitimacy and there are structures and processes for citizen participation. Government waste and negative perceptions of governmental performance also contribute to the decline in trust in government.

Second, committed and inspiring political leaders can promote trust in government (Rondinelli and Heffron 2009). Trust in government is enhanced where leaders have a vision of the future and the ability to take actions to bring about change through decisiveness, persuasion, and coalition-building. Though leadership attributes are culturally conditioned and depend upon country-specific circumstances, many leadership attributes contribute to trust in government. For example, in the context of globalization, political leaders at the national level and government officials at the organizational level have to reconcile short-term political necessities with long-term development goals in complex political environments and institutional arrangements. This requires leaders with attributes such as technical ability, cultural sensitivity, and an ability to forge

partnerships. Because of the conflicting interests and priorities of different groups in a society, there is the tendency towards a lack of trust if the priorities of one group are not included in government policies. In such situations, leaders can play a vital role in promoting the trust of all citizens by forging partnerships among diverse groups, mediating differences, and consulting with different interest groups.

Third, economic growth and economic opportunities available to citizens are conducive to greater trust in government (Wright 2007). Where the economy is growing, greater employment opportunities are available, and the resource base in relation to population size is favorable, citizens are more likely to accept public policy and program weaknesses. This explains why trust in government is higher in some non-democratic states with booming economies than in democratic states with poor economic performance. In stagnant economies with limited economic opportunities for citizens, a culture of cynicism and a lack of trust in government are more likely to emerge.

Fourth, the provision and delivery of services such as water, sanitation, healthcare, and education are essential to inspire confidence and trust in government because these services affect citizens directly and in most cases immediately (Clark 2008). In many cities in developing countries, between 10 and 30 percent of urban residents live in slums and squatter settlements, with inadequate access to shelter and basic urban services. In rural areas, especially in remote regions, the poor lack basic services. To gain the support of citizens, governments need to explain how policy choices are debated, adopted, institutionalized, and finally implemented. Management innovations in public sector organizations, the elimination of “rent-seeking” practices, and the development of core public service values are critical in facilitating the access of citizens, the poor in particular, to basic public services.

Finally, good governance and effective public administration are increasingly receiving recognition from the international community as the foundation for the successful achievement of a wide range of international and domestic policy objectives, including items on the United Nations development agenda, and thereby enhancing trust in government. As the basis for effective policy selection and implementation, governance – including public administration and civil service, rule of law, human rights, macroeconomic policies and regulatory frameworks, and transparent and participatory decision-making processes – is a necessary condition to achieve the Millennium Development Goals (Cheema 2005). In view of this, the Millennium Project’s Report to the Secretary-General, *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*, made a strong case for investing in governance, including public administration (UN Millennium Project 2005).

Good governance and trust

Governance is the process of interaction between three sets of actors – the state, civil society, and the private sector – in making political, administrative, economic, and social decisions that affect citizens. It is how a society organizes itself to make and implement decisions, mediate differences, and exercise legal rights and obligations. It comprises the rules, institutions, and practices that set limits and provide incentives. It operates at every level of human enterprise. The state creates an enabling political and legal environment. Civil society facilitates political and social interaction. The private sector generates jobs, income, goods, and services. The essence of effective governance is fostering and strengthening the interactions, relationships, roles, and capacities of the three sets of actors to achieve the universally accepted principles of good governance – participation, accountability, access, subsidiarity, justice, equity, effectiveness, efficiency, and sustainability. Experience suggests, however, that institutional designs and structures of governance are necessary but not sufficient to improve the quality of governance as a process. Because of differences in the internal and external contexts of each country, similar institutional designs and structures sometimes produce different results in terms of the quality of the process.

Building trust is both the result and the determinant of inclusive governance. Where governance is both effective and democratic, citizens are more likely to trust public officials, politicians, and political institutions. The ineffectiveness of governance institutions and processes – such as parliamentary and electoral processes, the accountability and transparency of the public sector, decentralization and local governance, the roles and capacity of civil society, and people’s access to justice – gradually erodes citizen trust. Enhanced trust facilitates effective functioning of governance institutions, and hence improves the quality of governance.

Citizens expect public servants to serve the public interest with fairness and to manage public resources properly on a daily basis. Fair and reliable public services, as well as credible policies and institutions, inspire public trust. In this context, corruption in matters such as procurement should be viewed not only as an individual act but also as the result of systemic failure and an indication of “weak governance.” Publicized corruption cases have had a major negative impact on trust in public decision-making.

Key components of good governance that affect trust in government are: public sector capacity; decentralization and local governance; electoral and parliamentary processes; civil society engagement and partnerships with the government and the private sector; accountability and

transparency of governance; and conflict management and recovery. Together, these components allow governments to promote legitimacy, enable citizen empowerment, strengthen the credibility of policies and institutions, provide opportunities for participation in government processes and decision-making, and ensure efficient and accessible service delivery (see Figure 1.1).

Public sector capacity

In order to enhance trust in government, the public sector must have the capacity to design and implement programs to protect the rights of citizens, mobilize resources through taxes and other sources, and ensure the delivery of and access to basic social services (Rondinelli and Cheema



Figure 1.1 Understanding trust: A conceptual framework.

2003). Furthermore, the public sector must have the capacity to maintain law and order, promote and protect public goods such as the environment, and establish well-coordinated and complementary mechanisms to ensure that government agencies and departments work together effectively. Equally important is the “capacity to govern” – to make important policy choices, to design and implement programs and actions to achieve policy objectives, and to anticipate emerging trends and challenges. Qualified and motivated staff, recruited on the basis of merit, are central to enhancing public sector capacity.

Over the past few decades, improving public sector management capacity has been one of the most critical issues facing the developing economies of Asia. With the rapid pace of globalization, the public sector is under even greater pressure to increase its capacity to deal with new challenges and opportunities presented by globalization – new information and communication technologies, the expansion of trade and investment, an increased focus on such public goods as the environment and human rights, and the proactive role of global institutions such as the World Trade Organization, which affect development processes at the country level. Not only must the public sector have the capacity to provide an enabling environment for enterprises to take advantage of the opportunities provided by globalization; it must also provide safety-nets for those segments of society who are negatively affected by changes emanating from globalization.

Decentralization and local governance to bring government closer to people

Within the framework of democratic governance, decentralization and local autonomy are crucial in fostering more participatory governance and enhancing trust in government. They allow citizens to “voice” their demands in a more effective way and to become active partners in all stages of policy decision-making, implementation, and evaluation – thereby bringing government closer to the people and enhancing trust between the government, civil society, and the private sector. Decentralization provides an institutional framework for the engagement of individuals and groups in local decisions affecting their lives. It also creates a system of checks and balances at the local and sub-national levels and devolves resources to local areas. Decentralization thus contributes to the empowerment of local communities and trust in government at all levels (Cheema and Rondinelli 2007).

Over the past few decades, many countries have adopted decentralization policies and programs. Many driving forces at the global, national, and local levels have influenced recent trends toward greater political

devolution and the transfer of financial authority from the center to regions and local areas: the demise of the former Soviet Union and the end of the Cold War, an increase in ethnic conflicts and demands for greater recognition of cultural, religious, and regional traditions, and the focus of bilateral donors, multilateral agencies, and non-governmental organizations (NGOs). Other factors have included the demand by groups and individuals within countries for greater control over local political processes, greater transparency, better access to services, and more openness in political decision-making processes.

However, the results of decentralization policies and programs have been mixed. Successful experiments in decentralization have yielded many benefits, such as improved access to services, citizen participation, and the mobilization of local resources, and the institutionalization of democratic political processes at the local level. Decentralization's limitations have also been highlighted by the skeptics, including "elite capture" of local governments, the weak financial and administrative capacity of local governments, widening economic and social disparities between regions, and increased levels of local corruption and nepotism (United Cities and Local Governments 2007).

Trust in government can be enhanced or impeded by the way decentralization programs are designed and implemented. Of particular importance are legal frameworks for decentralized governance, the redistribution of functions and resources between central and local governments, and relationships between local governments and NGOs. Trust in government is also affected by the extent to which central government provides technical and financial support for strengthening local capacity; the ways in which the system of checks and balances between central and local governments works in practice; and the role of community-based organizations in local decision-making and service delivery and access. Where there are effective mechanisms for local participation, citizens are more likely to trust government actions than they are in highly centralized systems of governance. Local government accountability mechanisms – including procurement procedures, social audits, and codes of conduct for public officials – are also conducive to creating a culture of trust in government.

Electoral and parliamentary processes for legitimacy and participation

Effective electoral and parliamentary processes ensure that elected representatives are responsive to the needs and priorities of their constituencies, including marginalized communities and the poor. Free and fair elections, parliamentary oversight of the executive, and freedom of the

press create the necessary conditions for enhanced trust between citizens and government and facilitate partnerships between governance actors.

One of the primary reasons for the breakdown of trust among groups and regions in a country is the perceived lack of effective representation in electoral and parliamentary processes. Adequate representation of minorities and economically backward regions in political institutions at the national and local levels, perceived fairness of electoral processes, and proactive parliamentarian–constituent exchanges and dialogue are essential to promote political legitimacy and, thus, trust in government institutions. Trust in government is also enhanced by the capacity and impartiality of electoral management bodies, bipartisanship among the competing political parties in the legislature, and smooth working relationships between the executive and legislative branches of government.

There are many constraints on the effectiveness of electoral and parliamentary processes in the developing countries of Asia and the Pacific. There are a few good examples of mature and established democracies such as Japan, South Korea, and India. In many other countries of the region, however, the effectiveness of parliaments is constrained by low levels of interface between parliamentarians and their constituents, weak internal capacity and resource base, a historical legacy of executive control of the legislative branch, and weak oversight institutions. In some countries, military dominance in the political process and the lack of parliamentary control over the budgetary process limit the effectiveness of parliaments as institutions of democratic governance. In new and restored democracies, a culture of political tolerance is usually lacking, which creates cynicism among citizens.

Electoral processes in many countries in the region have in the past been marred by allegations of fraud, vote-buying, violence, and the unwillingness of defeated political parties to accept the results of elections. Trust in the electoral process, especially in new democracies in Asia, is negatively affected by a lack of agreement among political parties on the legislative framework within which elections are held. It is also diminished by the low level of capacity and lack of independence of electoral management bodies and the dominance of elites with the resources to fund election campaigns. As in the case of the parliamentary process, however, there have been recent examples of elections perceived to be free and fair by internal and international monitors.

Civil society engagement and partnerships

Civil society has been widely recognized to be an essential “third” sector. Along with the state and the private sector, civil society is instrumental in promoting good governance and trust in government. As an agent of

change, civil society can actively engage in policy analysis and advocacy, monitor the state's performance, including the actions and behavior of public officials, build social capital and enable citizens to identify and articulate their values and civic norms. Civil society can also mobilize particular constituencies, such as vulnerable and marginalized groups and minorities, to participate more fully in politics and public policy. Another important role of civil society is to undertake local developmental activities, including the provision of shelter and basic social services to the poor in urban and rural areas.

Participation in various groups and local-level political and developmental activities improves not only mutual trust between members but also trust in government, because citizens in increasingly tight-knit communities tend to cooperate for their public interests (Putnam 2000). The longer constituents belong to a voluntary organization, the higher the level of trust becomes (Stolle 2001). Also, there are many research results showing that participation in various civic groups has a close relationship with trust in government, administrative responsiveness, and political efficiency (Rosenstone and Hansen 1993; Axelrod 1984). The type of organization also matters.

Studies also show that those who actively participate in politics, by, for example, enrolling in labor unions and political parties, demonstrate higher levels of confidence in other constituents and government than those who do not (Rothstein 2001). Researchers who emphasize the value of Western civil society (Almond and Verba 1963; de Tocqueville 1984; Putnam 1993, 1995) claim that the culture and values of civic groups and political participation will increase social capital-like trust, cooperation, and interaction, which leads to the development of democracy and economic prosperity. Where there is low trust in the political system, illegitimate political participation could occur; where there is low trust in government, people do not feel it necessary to participate in politics themselves.

Over the past few decades, the number of civil society organizations in Asia has rapidly increased. They are engaged in political, social, developmental, and cultural activities at local, sub-national, national and regional levels. Non-governmental organizations in Asia have become important in securing a democratic political system through their roles as watch groups as well as voluntary organizations pursuing further participative democracy. They have promoted political participation, voluntary social service participation, and policy participation.

Civil society organizations play a pivotal role in promoting democracy and good governance, which in turn can contribute to trust in government. Major democratic transitions in Asia (in South Korea, the Philippines, and Pakistan) have emanated from pressures from civil society.

Once democratic governance institutions are introduced, civil society organizations continue to play an important role in ensuring the accountability of political leaders and public officials and in promoting the interests of the poor and marginalized groups. They monitor elections, undertake public interest litigation, and provide paralegal services to the poor. They check the abuse of government power by public officials at national and local level through their access to the media, monitoring the government mechanisms for service delivery and access. They also protect the human rights of minorities, women, and marginalized groups. Where the government responds positively to pressure from civil society organizations, citizen trust in government is likely to be enhanced.

Accountability and transparency to promote confidence in government

Accountable and transparent governance allows the public to remain informed about policy, enables greater opportunities for participation, increases the efficient allocation of resources in both the public and private sectors, and minimizes corruption and unethical practices. It increases stability and consensus. These aspects are conducive to building trust between the government and citizens.

Corruption and a lack of accountability affect political processes and outcomes. Corruption bypasses due process, constrains the capacity to design and implement appropriate policies and programs, and weakens political institutions such as the judiciary, parliaments, and electoral management bodies. All of this can lead to the loss of people's trust in government. Where corruption is prevalent and mechanisms for government accountability and transparency are ineffective, citizens' trust in government is negatively affected in many ways. If civil servants are corrupt and are not responsive to citizens, public distrust and cynicism can emerge. If the electoral and parliamentary processes are not transparent and accountable, people lose faith in them. Corruption in the judiciary can lead to a lack of faith in the rule of law and access to justice.

In a society where corruption is rampant and the rule of law is ignored, people rarely trust each other and this in turn increases the cost of social transactions. In such situations, citizens are likely to develop distrust of the entire society (Rothstein and Stolle 2003). Social trust can be built only when the general public consider their government trustworthy (Levi 1998). Therefore, it is important for public officials to conduct their duties in a fair and just manner. In particular, the integrity of law enforcement authorities such as police and the prosecution have strong effects on social trust. When the law enforcement authorities fail to abide by the rule of law, people will have distrust not only in the authorities but also in society as a whole (Rothstein and Stolle 2003)

Conflict management and recovery through inclusion and dialogue

The emergence of conflict situations can be viewed as evidence that a significant erosion of trust has occurred over a period of time. A lack of social trust inhibits the development of effective partnerships for the achievement of mutually beneficial objectives and can have serious implications for the well-being of the population as a whole.

Experience suggests that the restoration of governance and the rebuilding of trust in government in crisis and post-conflict countries can be attributed to several factors (United Nations 2007b). First, each crisis-hit country has a unique history, culture, political tradition, and level of capacity to recover from hostilities. The solutions for restoring governance and build trust should depend on each country's specific situation. What is needed is to tailor, adjust and implement programs according to the conditions in the conflict and post-conflict countries.

Second, initial efforts to restore governance and trust should focus on strengthening the capacities needed for carrying out the most urgent reconstruction programs – establishing safety and security, strengthening constitutional government, reconstructing infrastructure and restoring services, stabilizing and developing the economy, and strengthening justice and reconciliation organizations.

Third, public–private partnerships can mobilize private financial, managerial, technical, and knowledge resources for providing public services more effectively. The use of NGOs and civil society organizations can extend the reach of weak governments in providing services to the poor, to remote rural areas, and to regions subject to continued tensions. NGO partnerships can help build the capability of the public administration to take over functions carried out by parallel structures and to manage public–private partnerships and strengthen administrative capacity in the private sector or civil society organizations to deliver services that supplement those of the public sector.

Fourth, rebuilding trust among fractured communities in conflict and post-conflict countries is essential through such mechanisms as supporting community-based groups, promoting dialogue and discussion among community members, making civil society more actively engaged, and providing basic social services.

About this book

The central argument of this book is that various dimensions of effective and democratic governance and the promotion of trust in government are interdependent. This volume examines the reforms undertaken by

governments in the Asia-Pacific region to improve electoral and parliamentary processes, decentralize governance, and service delivery and access. It also reviews civil society engagement, the accountability and transparency of governance, and public sector capacity. After a review of the literature on the concept of trust and the decline in trust in government (Chapter 2), four sub-regional reviews analyze government reinvention and reforms in Northeast Asia, South Asia, Southeast Asia, and the Pacific Islands (Chapters 3–6). This is followed by country experiences with innovation and government reinvention in the People’s Republic of China, the Republic of Korea, Indonesia, and Timor-Leste (Chapters 7–10). The main conclusions are presented in the final chapter.

In Chapter 2, Peride K. Blind presents a literature review on the concept of trust. She suggests that trust is a complex construct that can be categorized in many ways – including political trust and social trust – and at many levels – individual, group, institutional, sub-national, and systemic. She examines the relationship between trust and the new social, political, and economic requirements of globalization by drawing on survey results and examples. Many mechanisms to promote and strengthen trust receive particular attention. These include the rule of law; an independent judiciary; free, fair, and regular elections; legitimate parliamentary processes; a healthy civil society; fighting corruption; local governance and decentralization; and e-governance. Other mechanisms are performance management, e-government, and participatory mechanisms. When these mechanisms are used effectively, political legitimacy and trust are strengthened. Democratic governance is more likely to be enduring and stable where the trust of citizens becomes the norm. The author further explores innovation and good practices in governance reform that selected developed and developing countries have designed and implemented to promote trust in government. These innovations were presented to the United Nations 7th Global Forum on Reinventing Government, held in June 2007.

In Chapter 3, Pan Suk Kim examines the status of trust in government in Northeast Asia within the context of globalization, as well as the ways through which different dimensions of governance are affecting citizens’ trust in government. In a discussion on recent findings from trust surveys, he notes that, even though Japan and the Republic of Korea have made significant progress in democratic governance and economic performance, trust in political parties and parliaments remains low. This is partly attributed to the higher expectations of well-informed citizens as well as the perceived ineffectiveness of some of the political leaders. Despite the remarkable economic performance of China and Vietnam, politics and administration are monopolized by the Communist Party in both countries. Kim points out that, to varying degrees, each country has

shown a commitment to public sector reform, civil society engagement, decentralization and local governance, and transparent legal and judicial reform. Together with the notable economic performance, these will continue to positively affect citizen trust in government.

In Chapter 4, Ledivina V. Cariño provides an analysis of the status of trust and governance within the countries of Southeast Asia. She suggests that there is greater trust in government and order institutions than in representative institutions. In her opinion, trust in government does not seem to be merited when viewed in the context of ineffective service delivery, the quality of citizens' access, the performance of the police, and the provision of justice in most of the countries in the region. She describes the many challenges governments in the region face to strengthen trust, especially in the representative institutions, including the need to improve service delivery and access through innovations, to promote better-performing human resources, and to emphasize customer satisfaction and transparency. Other important dimensions of governance for strengthening trust are better civic education, civilian pre-eminence and respect for human rights, the integrity of electoral processes, and improved performance by legislatures and local governments. She makes a strong plea for the governments in the region to place more trust in citizens through greater transparency and accountability, the elimination of favoritism in the public decision-making process, and incorporating citizen evaluations of policy where possible.

In Chapter 5, Sajjad Naseer offers a review of governance reform and trust in South Asia with a focus on three variables: participation, development, and security. He argues that many factors have negatively influenced the decline in trust in government. With the exception of India, governance practice does not reflect effective use of governance instruments such as the rule of law, decentralization, representative institutions, and anti-corruption strategies. Moreover, participatory mechanisms at the local level have not been effective. Development performance in the sub-region has been poor, leading to an inequitable distribution of economic benefits and cynicism in government programs. Security issues, including intra-state conflicts and tensions between India and Pakistan, have complicated the situation. Major issues raised include the relationship between trust, legitimacy, and national identity.

In Chapter 6, Meredith Rowen and Gerard A. Finin examine the traditional institutions of governance in the Pacific Island region and the links between globalization and government reinvention. They emphasize that government reinvention processes should incorporate indigenous forms of governance, customs, and leadership. Traditional and modern institutions should be viewed as a continuum, where both types complement and support one another. The assessment of governance practice in the

region shows that not all of the indigenous institutions are democratic; in some cases, the indigenous institutions serve as a source of stability and continuity by filling the gaps created by the modern institutions; sometimes tensions exist between elected non-traditional leaders and traditional leaders. The authors further discuss recent innovations that have been successfully implemented within small island developing states within the Pacific. They conclude that further strengthening trust in government in the region would require working with the existing institutions over a longer period of time and an approach that places the people at the center of developmental efforts.

In Chapter 7, Teresa Wright comments on the important distinction between trust in central government, in local government, and in the Communist Party in the People's Republic of China. She argues that there is popular trust in national leaders and political institutions, even amongst citizens who have previously demonstrated against the government. Often citizens show anger against local officials but express support for the central authority and party. Furthermore, citizens who have greatly benefited from recent economic development have shown increasing interest in joining the party. Wright then looks into the impact of recent reform measures on different socioeconomic groups, emphasizing the evidence of a strong preference for socialist economic benefits. Based on the most recent surveys, the author notes that, although the younger generation of citizens is less likely to support the Communist Party, they appear to be very nationalistic. Therefore, she concludes that high trust in government is likely to continue.

In Chapter 8, Byong Seob Kim presents a case study of the National Tax Service in the Republic of Korea. Under the Roh Moo-hyun administration (2003–2008), which focused on “principle and trust” as a vision for government reform and innovation, tax reform was used as one of several instruments to promote trust in government. Two particular measures receive attention: (i) the 1999 organizational and operational reform to improve efficiency, effectiveness, and customer orientation; and (ii) the 2002 Home Tax Service, which became the provider of e-tax administration, enhanced tax audit transparency and objectivity, and introduced a “Cash Receipt system” to keep track of business transactions. The author demonstrates that, owing to the reform, previously hidden transactions are now exposed and taxpayer satisfaction is on the rise. He concludes that the increased efficiency and transparency of the current process, in which government interacts with citizens, have helped to increase trust in government services.

In Chapter 9, Prijono Tjiptoherijanto and Meredith Rowen provide an overview of comprehensive changes implemented during and since the Reformation Era in Indonesia, which began in 1998. Constitutional

change, increased democratization, decentralization, public sector reform, and anti-corruption measures receive special attention. Each of these processes is examined in terms of its overall impact on governance and, correspondingly, on trust in government at the national and sub-national levels. The authors see improvements in trust in government, while making a case for additional reforms in specific areas, including the establishment of a special institution for human resource management in order to ensure effective, accessible, and efficient public services.

In Chapter 10, Sukehiro Hasegawa examines the roles and performance of UN missions in Timor-Leste. He argues that trust in post-conflict countries such as Timor-Leste is dependent on the ability of the government institutions to maintain security and stability in the country, deliver public services, maintain the transparency and accountability of governmental operations, and protect human rights and the rule of law.

In the final chapter, Vesselin Popovski presents the main conclusions from the regional reviews and country studies. Together, these chapters result in a greater understanding of the nexus between trust and improvements in governance within the context of the region, as well as the methods that governments and governance partners can use to improve both trust and governance for the benefit of citizens within the larger Asia-Pacific region.

Notes

1. Social trust refers to the confidence that is bestowed on large groups of people, impersonal organizations, institutions, and systems. When social trust is high, citizens have more confidence in one another as members of a community and can pool their efforts to achieve common and mutually beneficial objectives. Political trust exists when citizens perceive the system and political incumbents to be responsive and when citizens appraise the government, its institutions, policy formation and implementation, and/or the individual political leaders as efficient and fair. Political and social trust have a complementary relationship, which is explored in greater detail within this publication. Social trust has a strong positive effect on trust in government. Political trust, in turn, contributes to greater political harmony and a civic culture of bipartisanship and mutual understanding of political differences.

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Edited by **G. Shabbir Cheema** and **Vesselin Popovski**

Trends & Innovations in Governance

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The ability of governments and the global community to achieve the Millennium Development Goals, ensure security and promote adherence to basic standards of human rights depends on people's trust in their governments. However, public trust in government and political institutions has been declining in both developing and developed countries in the new millennium. One of the challenges in promoting trust in government is to engage citizens, especially marginalized groups and the poor, into the policy process to ensure that governance is truly representative, participatory and benefits all members of society. Where governance processes are exclusionary and basic services are not accessible, intrastate conflicts and violence within the country can negatively impact national and global security and peace. Weak systems and processes of governance tend to erode trust in government. Within this context, the issue of how to build trust in government and trust between socio-economic actors has emerged as an increasingly important issue in both developed and developing economies.

This book seeks to answer many of the questions raised in reference to means of strengthening trust in government within the Asia-Pacific region. Through analyses of trends within Northeast Asia, Southeast Asia, South Asia and the Pacific Islands, and specific innovations and reforms at the country level, the contributors provide perspectives on the causes of the decline in trust, countries and institutions that have managed to maintain higher degrees of confidence, and governance innovations and practices that have played an important role in strengthening trust once it has faltered.

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