

## GOOD GOVERNING ESTABLISHMENTS (GGE), ARAB SUSTAINABLE DEVELOPMENT (ASD)

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### **INTRODUCTION**

If main essential task of any government could be summarized only in two essential things, they would be: protection of society entity and development of his economy. Then concept of Governing Administration (GA) becomes development at first place.

Evident of worldwide surveys today on Good Governing (GG) revealed by all measuring types that there have no existence on land whatever the measures accuracy were. The computed indicators for the worldwide GG were ranged between 10 % to 97 % on better estimates.

This paper aims to analyze estimated indicators of GG coincided with the achieved rates of development. The indicators could be considered as an establishments, and diagnosing the details of the essentials as supports for sustaining Arab area development.

It may be necessary that next generation be freed from poverty and of deprivation, so economic growth must be as a tool for sustaining development. The success in accomplishing the mission by qualification and efficiency would be an index for goodness of GA to the economy. That mission couldn't accomplished without preservation of financial resources from wasting and from dispersal, and this in turn does not be complete except with strong law.

The hypothesis is: “*1) Arab Development Priorities (ADP) are the Good Governance Indicators (GGI); 2) these priorities for critique relative importance to the next decade are on arrangement: State law rule, Corruption Control, and Accountability & Expressing*”.

Other supports could be organized after.

Coincide with this conversions the approaches of improving GA has developed from life quality to more opportunities and choices expansion.

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### **1. Arab Development Priorities (ADP)**

In general, the administration of development strengthens on three essential components assumed to be responsible for building the establishments of GGA. These components are: the state, the private sector, and the civil society.

Arab GA characterized by: formalism, lack of efficiency, baggage hand of the administrations, and investment lack in qualifications and/or of creating many of them, as well as noticed weakness of the official and unofficial institutions (exclusion security one from), lack of law supremacy in treatments, and lack of law governing in different administrations.

Almost the critical sides of GA appear as: (a) confusions between centralism and the decentralized local governments, (b) judicial changes of the constitution, (c) the electoral laws, (d) the financial administration for the economy, (e) the reform and supremacy of law, (f) origins of the legislation, (g) and the women association. The first one before these sides impacting the communication the GG is the relationship between civil society and the state.

All Arab countries within the operations of development require substantial conversions in the role of all of them.

### **2. Analyses of Arab Development Indicators**

There are three suggested choices proposed for specifying the weak governing by corruption, these choices are: accountability in expressing, level of real per capita income, and international regulations efforts in this direction. While the recent directions propose the satisfaction with life as a measure of benefit in which the close link being to the nature of government rather than the real incomes. So the countries governing could consider bad or success through achieving acceptable levels of qualification, of confidence, and of good entering in building the elected democratic organizations and consolidation. [Hewlliwell, 2006].

Aggregate indicators of governing for World Bank (WB) included hundreds variables in 209 countries for the period 1996 immersed-2004 about 37 independent source of data, from 31 organizations [Kraay, Mastruzzi and Kaufmann, 2005], the Arabic countries sample included [WBI, 2005].

Those Indicators do not suggest a best or bad direction for judicator the worldwide estimated rates for the ability of GA. Only the formative measures of the GA had built the agreed accord of ranges between (-2. 5 and +2. 5). The noticeable connection between income directions and the governing indicators contains the following six measures: (1) Accountability and Expressing, (2) Political Stability, (3) Governing Efficiency, (4) Law Rule, (5) Regulation Quality, (6) and Corruption Control. The elements of the relative indicator data has accumulated from different sources. They measure sense perceptions for the concepts which strengthens the computation of any one of them after estimating

and testing the statistical importance and the significance of the variables influencing the GA with the time [Solivan, 2005].

**The current analysis chose a sample of five Arabic countries: Jordan, Saudi Arabia, Algeria, Iraq, and Egypt. The selection was arbitrary, randomly basing on participation two or more of them in different characteristics. They are: dominant of human and natural resources; different efforts of development; and economic and political 39 reforms stages, and other domains features summarizes the general Arab aspects.**

It found that priorities of those indicators for sustaining Arab development following the hypothesis: "First: Arab Development Priorities (ADP) are the Good Governance Indicators (GGI); Second these priorities for critique relative importance to the next decade are on arrangement: State law rule, Corruption Control, and Accountability & Expressing".

#### ***1<sup>st</sup> priority: Law Rule***

This principal means

- 1.** Neutrality of laws;
- 2.** Range of the citizens observance and/or imposing them in.

In Algeria, because her estimates in the last years fell below the World Intermediary Line (WIL). Iraq surpasses Algeria with more than twice of corruption mass. There were a little of positive direction in the intermediary respect at Egypt, because her estimates were laying above WIL by a withdrawn general direction. The case in Jordan and Saudi Arabia is adequate better than Egypt's, although a victory of retreat direction in the measured values in all Arab wealthy countries by natural resources, for the year 2002. About what preceded in the year 2000 the measure estimates pointing about an average of (-1. 67 and -0. 71) in Iraq (with buildup direction) and in Algeria (with improving direction); in Egypt, Saudi Arabia, and Jordan (0. 13 and 0. 38 and 0. 40) on the arrangement (towards the improving with its oscillation in Jordan). That's for the period from 1996-2004 [**Diagram 1**, the line of violet color], (See: p. 479), [**Chart-1**], (See: p. 477).

#### ***2<sup>nd</sup> Priority: Corruption Control***

At the beginning of the collapse cases, corruption in which the absence of law governing leaves a various economic administrations of the state and of the society on economic development is. The lack of dominance over on corruption leads to transform all investments to huge cost, which in turn imposes the deviation of all plans about goals. The administrative and financial corruption "is very harmful for each of companies, individuals, and societies and it is a measure of greed, and that if it left without observes, it would leads to deformations perform and disasters within development" [Al-Shahwan, 2006].

Egypt's rank has moved from 41 to 62, Jordan from 30 to 40, while Iraq become on the place of the list head [international transparent organization, 2006].

Also lowness of distortions the suitable climate of investments to the transaction contracts.

The Indicator of corruption folded on four elements. They are:

1. Corruption between governmental officers,
2. Corruption obstacle in face of commercials and business,
3. Presentation moneys to the officials and judges (range of its duration),
4. And corruption in the civil service sector (spreading range).

The estimates indicate that Iraq occupied the first rank during the period 1996-2004 with a buildup direction without retreat. The Iraqi average rate was (-1.36), Algeria one followed in spite of the large difference between them, and his rates direction toward worse likewise, with informed average rate for the same period (-0.57). At Egypt, in spite of the reforms at that period this country participated with previous negative numbers (below WIL). The estimates of this indicator oscillated around the average rate of (-0.31), while Saudi Arabia and Jordan treacherous the WIL level with estimates in moderate average of (0.16) and (0.13) as arranged [**Chart-2**], (See: p. 477), [**Diagram-1**, the line of purple color], (See: p. 479)..

This indicator measure is formed from seven formatives, all inflow their affects in the heart of the bases straightening the essential environment for investment climate. They are:

1. Beginning of bringing the elite persons in charge of public responsible managers by free and fair elections,
2. Mass accountability upon free pages of information and press secondly
3. Civilian warranted freedoms,
4. Political rights,
5. Neutralization of the rotary soldiers in the politics,
6. Governmental changes, and
7. Transparent laws and policies.

**The same directions drawn about corruption control in Iraq, Arabia Saudi, Algeria, and Egypt. But the fall here is deep and notified. Then Jordan to be organized after them in frighten degree. All these valuable estimates for the five countries falls below WIL, where the average rate afforded for each of them as: (-1.93, -, 1.38, -1.17, -0.86, and -0.33) on arrangement [Chart 3], (See: p. 477) [Diagram 1, the line of indigo color], (See: p. 479).**

**What could be noticed on the prime three estimates of measures for GA in the Arab countries is that the value of the whole computational intermediary rate of the estimates for the five countries are (-0.29) for Law Rule, (-0.39) for**

**Corruption, and (-1.13) for Accountability and Voice.** In general they marks in large clarity many features. First: the absence of governing goodness in the different administrations. Second: the interpretation of that is a withdrawal rule of law in a certain ratio (-0.29 below the zero WIL) originated from it about (and with it) intensification of the corruption with a larger ratio. Synchronization with both phenomenon the apparent overlooking and discarding of the society about the role of responsibility and the accountability in intensified ratios.

Law rule deterioration by (-0.29) percent mean that the achieved practices in Law governing at the five studious countries through out the period 1996-2004 represents a grade of 2.21 out of 5 degrees on the index of GGI, then form 44 % of what achieved at the region (See: **Table 1**). So there were 56 % of withdraw law along last decade ago. By same logic one could concludes that a 58 % of economic life with dominant corruption, and also 73 % a chronic crisis of voice and accountancy absence. In other words, there is only 34 percent of so called GG had been applied on Arab society, led to worsen case of corruption contrite, and worst statement of voice and accountancy.

**Table 1:** Average Rates of Three Main GGI for Arab Countries (Representative Sample) Between 1996-2004 and Their Percentage Transforms

Median GGI	Average Rates 1996-2004	Achieved on Index -2.5 to +2.5	Absolute Value	Of 5 Degrees	%	Worse Percent %
Law Rule	-0.29	-2.5(-0.29)	2.21	2.21/5	44	56
Corruption Control	-0.39	-2.5(-0.39)	2.11	2.11/5	42	58
Voice& Accountancy	-1.13	-2.5(-1.13)	1.37	1.37/5	27	73

**Source:** Prepared by the author based on section 3 analysis.

This approves the dictated hypothesis of the current paper. The absence of law governing by a certain amount would designating from matter the replacement of the corruption by double amount. Both associate with a weak accountability and voice in many multiples. Most of the natural and human development evaluative (establishments) were available at Arab region and placed in the correct direction, but it is does not a matter of availability, it is no longer the existence of real economic development, except a moderate human development as one will notice in the next section. [Diagram 2], (See: p. 480).

#### **4<sup>th</sup> Priority: Government Effectiveness**

This indicator measure abstracted from four estimated different sources, measuring concepts. They are:

- 1. Bureaucratic system quality,**
- 2. Costs of business transactions,**

**3. Government stability degree, and**

**4. Public health care quality.**

Iraq leads the sample group with a standard informed estimation by (-1.69) an average of the oscillating rates during studied period 1996-2004 toward more deterioration in government performance efficiency. Algeria followed by an average of (-0.71) toward reduction the deterioration and decreasing its rates begun from the year 1998. It appears that Egypt preceded Algeria in the governmental reforms throughout that period in such a manner that the medium measured averages for the government efficiency rated (-0.11) with which the average for Arabia Saudi counterpart (-0.09) except that the last was insisting blessing slowed. For Jordan, the governing efficiency realizes extra positive progress in average rate estimated (+0.36) on peace of the index (from -2.5 to +2.5). It appears that government efficiency extension due to the reasons of the circulation extension principle of the accountability and the expression [Chart 4], (See: p. 478).

***5<sup>th</sup> Priority: Regulations Quality***

The indicator's measures pointing out possibilities of depending interventionist polices of the state in markets as pricing, inadequate supervision of banks, the resulting burdens from the exceeded regulation in basics and conditions of the external trade and its projects establishment.

Iraq broke the international standard number (index) of this indicator estimates in negative trend, with informed estimates peaked the ninety decade of last century by an average rate for the same period by (-2.75). The average rate of quality in organizing and securing in Algeria arrived (-0.83), adequate Egypt (-0.20), Arabia Saudi (-0.08), whereas Jordan registered good estimates at this direction with (+0.31), [Chart 5], (See: p. 478).

***6<sup>th</sup> Priority: Political Stability***

The resulted measure of the indicator's elements act as an external influencing variables on development and on sustainable development scopes, violating its cycles if the government and society be exposed to disturbances. They due to one or more of the following cases:

1) Racial tensions, 2) Armed disputes, 3) Social disturbances, 4) Violence and conflict, 5) Interior struggle, 6) Secede of the political layer, 7) Constitutional changes, and so on.

The measured average rate for this variable in Iraq was (-2.4), adequate Algeria (-2.04), and adequate Egypt (-0.36), that's because of the political circumstances and the interior tension. Although the general direction of these cases is towards lightening at those three countries, the registered estimates in Saudi Arabia (-0.09) Jordan (+0.04).

Three of sample countries had excepted their participation in meaningful negative measures of those indicators, they are: Egypt, Arabia Saudi, and Iraq. The subscribed factor is their valuable values fall below the WIL (of the intermediary zero line) except the law Rule indicator estimated at Egypt only (positive value). In order to complete the whole view, this paper undertakes analysis of another two variables effects [Chart 6], (See: p. 478).

#### *7<sup>th</sup> Priority: Money Contract*

Money contract also called the many cash in contract. This indicator refers to the economic safe with respect to civil society. It measures the percentage of the financial assets quantity (which the commercial services and the people please in depose their money at banks instead of keeping it as a firm banknote), out of the total cash offered at the economy level. This estimated ratio had grown fast during the period 1995-2002 from about 82 % to more than 86 % in Egypt and Saudi Arabia, and from 78 % to 85 % in Jordan.

Where as the slow ratio was in Algeria, which grew from 69 % to 72 % for the same period.

#### *8<sup>th</sup> Priority: State Democracy*

This indicator measures the democratic practices by the dominant governing administrations. The estimates declare that the maximum negative value was the share of Saudi Arabia arranged from (-1.80) to (-1.90) followed by Iraq directly arranged between (-1.30) to (-1.70), while it were withdrawn in Egypt from (-0.75) to (-1.50) between the two halves of the period 1996-2002, Algeria average rate (-0.75), and Jordan (-0.50) throughout the same period. These figures up to Maryland University data, the Center of Development and International struggle Administration, (USA).

### **3. Sustaining Arab Development**

It is noticed that the figures draws three cases:

*First: Achieving transitional remarked case:*

1) In *Jordan*, the economic growth rates increased from (0.3 %) to (0.9 %) with an optimistic direction.

2) In *Algeria*, also the economy grew by the same trend from (-0.2 %) to (+0.3 %), in spite of the moderate rates of development.

*Second: Slowness directions with some decrease*

3) In *Egypt*, high rates recorded of development from (2.8 %) to (2.5 %).

*Third: towards improving, depending developmental efficiency at oil-exporting country like:*

#### **4. Saudi Arabia in which the estimates moved from (-2.5 %) to (-0.6 %).**

There is fourth special case pertains *Iraq*, that's appropriating in deterioration due to some boarder important factors. In fact they are external more than the interior, i. e. the economic blockage imposed on Iraq during the last of 20<sup>th</sup> century, and the I and II gulf war. The average rates of retreat in the annual per capita Gross Domestic Product (GDP) was (-9.6 %) since 1975 till 2002, then registered a doubled multiples of withdrawn directions in the second (medium) period numbers 1990-2002.

In general, there were an Arab economic development, but a slow development and unsuccessful sometimes and disproportionate with its costs followed with it neither with the financial & fiscal abilities for those countries nor with individuals incomes. The average level of per capita GDP is less than the average one of all developing countries. The annual real GDP growth rate during the last three ended decades was about (3,5 %) is less than that for developing countries of (5 %).

**This paper concluded that the main decisive establishments (evaluators) for GG in economic development and in sustainable development are: (1) supremacy law rule; (2) securing of corruption control; (3) freeing accountability and voice. Other five supports stand to express inclusiveness making sure that their positive interactions are evaluators for the economic development more than for sustainable development.**

**The concept of GG is still at the beginnings of the Arab way waiting cooperation between central government: (1) local governments; (2) the private sector; (3) civil society, in:**

- 1. Creating relative climate of law governing supremacy,**
- 2. Encirclement corruption,**
- 3. Devoting of accountability and voice.**

#### **CONCLUSION**

It realized some improve in human development by a widen view, but it becomes difficult to say that the statement in realization of successful economic development and consequently sustaining human development at their societies.

The main decisive establishments requested for the GG in sustaining Arab development in basic configuration are:

- 1. Supremacy of law,**
- 2. Securing corruption control,**
- 3. And accountability (and expressing) voice.**

Other five remains supports stand for defining inclusiveness in order to expanding the association in the governing. So the GG establishments and the other supports of sustainable development are a two familiar

They are also basic establishments for economic development and for sustainable development. So the weakness of the measures of law governing and of corruption control as well as of accountability let her violence rather than establishments for success of development.

**In contrast they also characterized with the following:**

1. Big challenges failed continuity of development.
2. Many Arab countries go on the way of slowness growth far from both of medium direction of developing countries and of connection with the worldwide economy.
3. Their poor integration, never the little is Arab challenge of corruption, and its occupying the first ranks on the international corruption list.
4. Their economies doesn't have the tripled of foreign direct investment expected for developing country with the same size, besides another fact related the absence of two important cores: the absence of profile investments (due to underdeveloped money markets); and the absence of opportunities for accessing the finance markets.

**Going deeply problems of development up to chronic crises ended to loss more than third (to half) of their finance resources, abilities, and possibilities for many reasons:**

- (1) The decayed corruption in all its types within their societies.
- (2) by virtue of absence of the GGA.
- (3) consequently goodness lack of successive governing attempts in their consequence generations.
- (4) their dissatisfaction reality which led to shaking the relationship between regimes of the governing and the reforms in which could reinforced transparency and developmental clarity in the building process as well as the relationships which consolidate sustainable development.

*This study reached conclusive results: (1) Arab Development Priorities (ADP) are the Good Governance Indicators (GGI); and (2) Those indicators for sustaining Arab development have to concentrate on the following establishments (priorities): State law rule, Corruption Control, and Accountability & Expressing, as arranged. [Diagram 2], (See: p. 456).*

*Note: Diagram-2 reflects the negative statement for GGI at Egypt, Algeria, and Iraq 1996-2004. Origin equal zero on Indicator Index (-2.5 to +2.5). Both Saudi Arabia and Jordan need depended diagram for their positive estimated data above WIL.*

