

EVALUATING THE EFFECTIVENESS OF GOVERNANCE MODELS FOR EMERGING ECONOMIES

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Abstract

Emerging economies are faced with challenges of far greater magnitude in terms of balancing poverty abstraction on one hand and ensuring standards of good governance on the other. Governments of emerging economies have realized over the years that the word governance in isolation has no dimension in the contemporary world and demand for good governance has been rising across the world. Models of governance vary in different countries based on history, culture, region and even religious composition. In this study, we are discussing the governance state of a few emerging economies and base our study to the governance models prevalent in India. In this paper, we attempt to analyze the effectiveness of various kinds of governance models employed in its states over the years and develop a framework to evaluate effectiveness of governance models for emerging economies in general.

Research has been done to evaluate the performance of nations and governments on grounds of health, infrastructure, education and poverty. To carry out our analysis and develop the evaluation framework, we have adopted a mixed method approach. We utilize Exploratory Factor Analysis (EFA) to investigate the systematic covariation between performance indicator variables of social, economic and public governance for the different states of India. Based on content analysis of the research already carried out, we found five social indicators, to evaluate social governance, which are Infant Mortality Rate, Maternal Mortality Rate, Literacy Rate, Gross Enrolment Ratio (GER) and access to safe drinking water; the five economic indicators to evaluate economic governance are Gross State Domestic Product (GSDP), Unemployment Rate, Population below poverty line, Contribution of manufacturing to GSDP and GSDP per capita; the five indicators to evaluate public governance are the number of e-transactions, ease of business, crime rate, percentage of households with electricity and legal structure.

Through our analysis, we first establish that governance cannot simply be judged based on numbers alone and we then develop the proposed framework in the paper based on three different approaches to evaluate the effectiveness of governance models: first, based on social, economic and public performance indicator numbers alone. Second by creating a level field of comparison for all states by considering available resources as a factor for governance performance and third by bringing in public perception of governance as an important indicator of evaluation, as citizens are the most important stakeholders of the entire process of governance, whether good or bad.

Keywords: Effectiveness of Governance Models, Emerging Economies, Social Governance, Economic Governance, Public Governance.