

## SOME NOTES ON FAIRNESS, TRUST AND GOOD GOVERNANCE<sup>1</sup>

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Governing should be effective, meaning that policy goals should be achieved at the lowest possible cost and in due time. An important aspect of the “goodness” of governing is certainly effectiveness – assuming that the policy goals themselves are legitimate and serve the interest of the community. Now, what makes governing effective?

Effective governing is about the effective coordination of key policy actors: state institutions and social actors. Coordination means that policy actors cooperate with each other and the government in a desired manner. Understanding effective governance at a general level implies understanding coordination and cooperation of multiple actors.

Collective action theory from Mancur Olson on, teaches us that there are three basic coordination mechanisms. The first is based on coercion through sanctions executed by a hierarchical order. The second is based on private interests as mediated by market mechanisms. The third is based on social norms and voluntary compliance. Note that the first two mechanisms share the feature that they both assume “instrumental motivations” being at work: avoiding sanctions (as negative benefits) and searching for profit and reward (as positive benefits). The third mechanism, however, builds on “social motivations”: legitimacy, trust, or in general terms, normative compliance.<sup>2</sup>

In the following I will argue that neither the hierarchical, nor the market mechanism is able to secure compliance without making use of social norms and trust (1). Then I will briefly present a model of trust-based policy making (2). Finally, I will make some remarks concerning the meaning of “good governance” in light of my arguments on the role of trust (3).

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<sup>2</sup> Tom R. TYLER: *Why People Cooperate? The Role of Social Motivations*. Princeton, Princeton University Press, 2012.

## 1. Hierarchy, markets and norms

Let us start with the second coordination mechanism, the market. Its discussion will be brief, since the market can only have a limited role in solving the problems of governance. True, the movement of “New Public Management” promoted the use of business-like organizational models (management methods, evaluation mechanisms, reward-systems etc.) in public administration, and through the 1990s the World Bank and the IMF pushed developing countries for the privatization of public services.<sup>3</sup> They believed that the market is more efficient in solving many of the social problems than the state. However, the uncritical belief in the supremacy of the market over politics faded away – the global financial crisis of the recent years was the ultimate cause of this happening.

As it is well known, the problems of the market as a coordination mechanism stems from the fact that its ideal conditions are only rarely fulfilled in reality. Theory says, market is the perfect coordination mechanism, but only if there are a high number of actors present, who are rational and exclusively self-interested; all the relevant information are accessible and there are no information asymmetries; and so on. Maybe the most important condition from our perspective is that there are no externalities. Since public policy is mostly concerned with actions which are characterized by widespread externalities, this condition alone makes the market unfit for public purposes.

Now, the other coordination mechanism is coercion through sanctions executed by a hierarchical order which is the *par excellence* use of power. Power and more specifically hierarchically organized state power is believed to be able to coordinate the actions of individual actors; to organize collective action; to institutionalize and implement norms of behaviour; and to sanction non-compliance. This was forcefully put forth by, for instance, Thomas Hobbes in his *Leviathan*.

Undeniably, in principal hierarchical order has some advantages over the market, especially so when it is about collective action problems, and the lack of individual incentives. However, hierarchies have their own limitations too. The most important is that hierarchy necessitates effective control over the actors. Sanctions are the most important means of the hierarchy in order to motivate actors to do (or refrain from doing) something; but sanctions can be used only insofar as non-compliance is detected. Therefore it seems that control is even more important than the ability to sanction.<sup>4</sup> If the actors do not feel controlled, the strength of possible sanctions

<sup>3</sup> For critiques of the widespread use of the market in the public domain see John K. GALBRAITH: *The Economics of Innocent Fraud. Truth For Our Time*. Boston–New York, Houghton Mifflin Co., 2004., or Ernst von WEIZSACKER – O. YOUNG – M. FINGER (eds): *Limits to privatization: How to Avoid too Much of a Good Thing*. London, Earthscan, 2005.

<sup>4</sup> In criminology it is generally argued that not the severity of the sanctions, but rather the probability of being caught is what influences more criminal activity See, for instance, J. M. DARLEY: On the Unlikely Prospect of Reducing Crime Rates by Increasing the Severity of Prison Sentences. *Journal of Law and Policy*, 2005/13. 189–208.

disappears, and the actors follow their own self-interest which may or may not coincide with the will of the holder of power.

However, both theoretical considerations and empirical evidences prove that total control is an illusion – just as much as the perfect market. The principal-agent problem arises, and control is difficult to secure even in smaller organization, like firms, because the controlled have always an informational advantage over the controller. The asymmetry of information makes total control and also a perfect incentive system impossible. Gary Miller actually argues that hierarchies function well under the same, or similar, conditions as markets do: they need transparency, full information, lack of externalities, and well-defined rights.<sup>5</sup> This merits attention, because hierarchical order is generally modelled as an alternative to the market.

There are other very important arguments against an exclusively, or exaggeratedly centralized and hierarchical order – for instance that decisions will necessarily be imperfect and their implementation will be blocked by the impossibility of individual initiatives. But I consider the difficulties of control the most important from the perspective of the coordination problématique.

Of course, hierarchy and power may work in order to solve collective action problems and coordinate the behaviour of a multitude of actors – just as markets may function more or less well too. But we have to seriously consider the limits of those mechanisms. Just as markets are unable to solve a number of social problems, hierarchies and their centralized orders are not the perfect tools to secure effective governance.

Now, the third mechanism is that of social norms and voluntary compliance. Tom Tyler argues that the probability that somebody cooperates with either other people or with any kind of authority (like her boss at the workplace, the police, or the government and its laws) is much higher if cooperation is based on social, rather instrumental motivations.<sup>6</sup> Tyler's arguments have two important implications. First, that voluntary compliance might be a powerful mechanism on its own. Indeed, it was observed that – contrary to the implication of Garret Hardin's tale on the necessary tragedy of the commons – collective action and the provision of common goods is possible through social norms, reciprocity and trust even in relatively large communities.<sup>7</sup> Second, that it can help hierarchies to function more effectively. If authority is regarded as legitimate, trustworthy, than its requirements and orders will be respected on a double motivational system: partly because of the possible sanctions, but more importantly because of inner, social motivations, or normative compliance.

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<sup>5</sup> Gary J. MILLER: *Managerial Dilemmas: The Political Economy of Hierarchy*. New York, Cambridge University Press, 1992. On the impossibility of using share coercion in order to secure cooperation see also William T. BIANCO – Robert H. BATES: Cooperation by Design: Leadership, Structure, and Collective Dilemmas. *The American Political Science Review*, 1990/1. 133–147.

<sup>6</sup> TYLER (2012) op. cit.

<sup>7</sup> See Elinor OSTROM: *Governing the Commons: The Evolution of Institutions for Collective Action*. Cambridge, Cambridge University Press, 1990.

## 2. Trust, fairness and governance

Why people obey the law? Why would they accept policy changes? How to make them cooperate with state institutions in order to render policy implementation and governing smoother? These, and similar questions are of a paramount importance if we want to increase policy effectiveness, or governing capacities. We argued above that the coordination problem posed by effective governance cannot be best solved by hierarchical orders. We need something else: legitimacy and trust.

It is actually a foundational thesis in political science that politics needs some level of public support, acceptance, and allegiance. Democratic systems might need even more of it than non-democratic ones, because they are limited in using coercion and they are bound to build cooperative relations with citizens. More trust in and more legitimacy of the political system implies a greater likelihood of cooperation, which in turn may affect the effectiveness of political and state institutions.

Legitimacy may make people more willing to defer to the law and to the decisions of legal authorities such as the police and the courts.<sup>8</sup> Without legitimacy, people may be less likely to support government programs that redistribute economic resources.<sup>9</sup> Legitimacy shapes citizens' reactions to government policies and provides government with grounds for eliciting citizen support other than appeals to immediate self-interest.<sup>10</sup> Legitimacy can increase citizen support for government policies, like for instance compliance with health regulations during an epidemic.<sup>11</sup>

What is legitimacy for the government or the political system as a whole, is trust for given institutions, like the law, the police or the municipality. Higher trust may contribute to more effective institutional performance and easier policy implementation. For instance, many studies argue that trust in police produces readiness to cooperate with the police.<sup>12</sup> To put it differently, the effectiveness of police improves with increasing trust and so does the degree of satisfaction with its performance.

Now, the concept of legitimacy or public trust is a complex one. David Beetham argues that "legitimacy is not a single quality that systems of power possess or not, but a set of distinct criteria, or multiple dimensions, operating at different levels, each of which provides moral grounds for compliance or cooperation on the part of

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<sup>8</sup> T. R. TYLER: *Why People Obey the Law: Procedural Justice, Legitimacy, and Compliance*. New Haven (CT), Yale University Press, 1990.

<sup>9</sup> M. J. HETHERINGTON: *Why Trust Matters: Declining Political Trust and the Demise of American Liberalism*. Princeton (NJ), Princeton University Press, 2005.

<sup>10</sup> M. S.WEATHERFORD: Measuring Political Legitimacy. *The American Political Science Review*, 1992/1. 149–166.

<sup>11</sup> E. S. LIEBERMAN: Ethnic Politics, Risk, and Policy-Making. A cross-national statistical analysis of government responses to HIV/AIDS. *Comparative Political Studies*, 2007/12. 1407–1432.

<sup>12</sup> See for instance the review by J. HAWDON: Legitimacy, Trust, Social Capital, and Policing Styles. *Police Quarterly*, 2008/2. 182–201.

those subordinate to a given power relation".<sup>13</sup> I will not present Beetham's whole conceptual construction, including the criteria, dimensions and levels mentioned in this quote. However, I will follow his approach that challenges a widespread 'value-free' concept of legitimacy – popularized for instance by Niklas Luhmann – which captures legitimacy in a 'descriptive' relationship of the subordinates to those in power. Beetham is not normative either in his intentions, but he argues that allegiance relies on moral concepts which should be taken into account. "The effectiveness of the powerful, in other words, is not just a matter of resources and organisation, as the 'realists' would contend, but also of their legitimacy. The realists are at this point simply not realistic enough; they do not take people seriously as moral agents, or recognise that what the powerful can get others to do depends upon normative considerations as well as upon the resources and organisational capacities at their command".<sup>14</sup>

Now, what are those normative considerations? We may think that as political cultures are different, people in different countries will use different normative criteria to formulate a more or a less supportive relation to politics. Michael Walzer has forcefully argued that moral concepts cannot be applied universally, because first, different social spheres and contexts imply different norms and values inside even of a given society<sup>15</sup>, and second, moral cultures are different across societies.<sup>16</sup> This may well be true. However, it still may be that beyond the differences, some commonalities also exist among societies in the way they interpret the moral background of a legitimacy claim.

At least this is the claim advanced by Levi, Sacks and Tyler. They accept the approach followed also by Beetham: "Legitimacy derives from the beliefs citizens hold about the normative appropriateness of government structures, officials, and processes".<sup>17</sup> They model legitimacy as a sense of obligation or willingness to obey authorities (value-based legitimacy) that then translates into actual compliance with governmental regulations and laws (behavioral legitimacy). Their conceptual model posits that value-based legitimacy has two antecedent conditions which: *trustworthiness of government and procedural justice*. Government trustworthiness has three components: *leadership motivations, administrative competence, and government performance*. Now, they claim that those conditions apply across cultures: they actually tested their model in an African context.

Let us have a short look at those components. Leadership motivation is undeniably difficult to detect – however, people are constantly monitoring leadership behaviour and the supposed underlying motives. Trustworthiness relies on two basic characteristics

<sup>13</sup> D. BEETHAM: *The Legitimation of Power*. Macmillan, 1991. 20.

<sup>14</sup> BEETHAM op. cit. 29.

<sup>15</sup> That is, justice does not mean the same in case of a 'fair wage' or an urgency when somebody's life is in peril.

<sup>16</sup> Michael WALZER: *Spheres of Justice. A Defence of Pluralism and Equality*. Blackwell Publisher, 1983.

<sup>17</sup> Margaret LEVI – Audrey SACKS – Tom R. TYLER: Conceptualizing Legitimacy, Measuring Legitimizing Beliefs. *American Behavioral Scientist*, 2009/11. 354–375., 354.

of leader behaviour: walking their talk even “by making sacrifices that demonstrate their willingness to put their money where their mouth is” and demonstrating their commitment to some kind of general interest, even by “submitting to limits on their power”.<sup>18</sup>

Administrative competence has two attributes: honesty and the capacity to implement rules and regulations. Honesty is perceived in terms of procedural fairness norms, while the capacity to implement rules is what we may also call institutional effectiveness. That is, administrative competence is the condition of citizen trust in state institutions, like the tax authority, police or the courts.

Government performance is also part of the factors that lead to legitimizing beliefs. “One possible basis for legitimating beliefs is the provision of public goods the population requires to ensure at least a minimal level of social welfare, such as drinkable water, roads, post offices, electricity, piped water, and sanitation”.<sup>19</sup> The government should evidently be able to fulfil its tasks in terms of providing security, welfare etc. This is the well-known output-legitimacy.

Leadership motivations, administrative competence, and government performance thus make up the trustworthiness of government. Together with government trustworthiness the model has one more basic component: procedural justice.

The model of value-based legitimacy stresses the importance of the principles of procedural justice (note that they are implied already under administrative capacity), and relatively undervalues the importance of government performance in shaping legitimacy. This goes contrary to a well established tradition in political science which stresses the importance of output legitimacy: allegiance towards the political system and its institutions is shaped by the goods delivered to people. People “care about ends not means; they judge government by results and are [...] indifferent about the methods by which the results were obtained”.<sup>20</sup> However, other findings prove that sometimes trust and performance show surprisingly weak relation to each other. Such findings lead della Porta to ask “why policy outputs [...] play such a minor role in shaping confidence in democratic institutions”.<sup>21</sup> Tom Tyler argues that this is indeed the case. Trust is explained less by government performance and more by the procedural fairness used by the institutions.

Tom Tyler’ oeuvre proves that normative evaluations play a very important role in shaping people’s trust or distrust in institutions, and those normative evaluations to a great extent pertain to the fairness of procedures applied by the institutions.<sup>22</sup>

<sup>18</sup> LEVI-SACKS-TYLER op. cit. 358.

<sup>19</sup> Ibid.

<sup>20</sup> S. L. POPKIN: *The Reasoning Voter*. Chicago, University of Chicago Press, 1991. 91.

<sup>21</sup> Donatella DELLA PORTA: Social Capital, Beliefs in Government, and Political Corruption. In: Susan J. PHARR – Robert D. PUTNAM (eds.): *Disaffected Democracies*. Princeton, Princeton University Press, 2000. 202–228., 202.

<sup>22</sup> T. R. TYLER: *Why People Obey the Law: Procedural Justice, Legitimacy, and Compliance*. New Haven (CT), Yale University Press, 1990.; T. R. TYLER: Public Trust and Confidence in Legal Authorities: What Do Majority and Minority Group Members Want from the Law and Legal Institutions?

People trust an institution based on perceptions about how it treats them and whether it makes decisions in a fair way. This might be even more important than institutional outcomes: fair procedures provide a protective cushion for certain political institutions even in times of hard decisions (like hard reforms or austerity measures).

In a number of situations, procedural fairness was indeed found to play a crucial role in shaping people's trust and their readiness for cooperation with institutions. Many studies argue that for instance trust in police is first and foremost affected by perceived fairness and that trust produces both a readiness to cooperate with the police and a positive attitude in evaluating its performance.<sup>23</sup> Murphy's study found that in Australia tax evasion was correlated with perceived unfairness of the tax authority.<sup>24</sup> This explains why strict sanctions paradoxically did not have a positive effect on the willingness to pay tax. Instead, these measures triggered more tax evasion. Gangl argues that people's perceptions about the legitimacy of the American Congress are more influenced by considerations of procedural fairness than by the distributive effects of the decisions.<sup>25</sup> Again, the procedure seems to be more important than the outcome when it comes about motivating people.

The above examples provide evidence that (1) legitimacy of, or trust in, institutions is a function of the perceived fairness of the procedures the institutions use; and (2) fair procedures may enhance the effectiveness of the given institutions (police, tax authority, company etc.).

But how to define procedural fairness? Philosophers have devoted much less work to the concept of procedural fairness as such, although some of its elements have been extensively studied. For instance, a number of classical human rights, like right to fair trial, right to non-discriminatory treatment, etc., clearly expresses norms of fair procedures, and are extensively treated in political philosophy. Participation in decision making has become the topic of an increasing body of literature.<sup>26</sup>

In general terms, Leventhal identified six criteria of procedural justice: representativeness (participation), suppression of bias (impartiality), consistency (equal treatment and consistency over time), accuracy (informed and high-quality decision making), correctability (of unfair or mistaken decisions), ethicality (conformity to general moral standards).<sup>27</sup> It is clear that procedural fairness is a

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*Behavioral Sciences & the Law*, 2001/2. 215–235.; T. R. TYLER: Procedural Justice, Legitimacy, and the Effective Rule of Law. In: M. TONRY (ed.): *Crime and Justice: A Review of the Research*. Chicago, Chicago University Press, 2003. 283–357.

<sup>23</sup> See HAWDON op. cit.

<sup>24</sup> K. MURPHY: Regulating More Effectively: The Relationship between Procedural Justice, Legitimacy, and Tax Non-compliance. *Journal of Law and Society*, 2005/4. 562–589.

<sup>25</sup> A. GANGL: Procedural Justice Theory and Evaluations of the Lawmaking Process. *Political Behavior*, 2003/2. 119–149.

<sup>26</sup> See, for instance, John S. DRYZEK: *Deliberative Democracy and Beyond: Liberals, Critics, Contestations*. Oxford University Press, 2000.

<sup>27</sup> G. LEVENTHAL: What should be one with equity theory? New approaches to the study of fairness in social relationships. In: K. J. GERGEN – M. S. GREENBERG – H. J. WILLIS (eds.): *Social Exchange: Advances in Theory and Research*. New York, Plenum, 1980. 61–83.

complex phenomenon. Using results of psychological research Machura argues that throughout the socialization process we all internalize some kind of “procedural justice heuristics” which is difficult to define in very precise terms, but which is used in evaluating social settings.<sup>28</sup> We can add that procedural fairness does certainly have different meanings for different institutions and settings, or, more precisely, different criteria of procedural justice are used in evaluating the fairness of different institutions in distinct settings.

How can we explain the significance of procedural fairness in shaping trust and legitimacy? “Much of the procedural justice literature offers no greater theoretical basis for the empirical results than the assertion that people simply desire procedural justice, and saying ‘that is just the way people are’ does not constitute a theory”.<sup>29</sup> The importance of procedural fairness thus has been observed, but not explained. Smith et al. intend to fill this lacune and propose an approach based on evolutionary theory. They argue that evolutionary theory offers a theoretical account of people’s sensitivity to strictly procedural, and other “nonoutcome” variables (which do not in any way reflect the substance of the decision outcome), such as the intention of the decision maker.

They relate the sensitivity to “nonoutcome” evaluative criteria to an evolutionary explanation of leadership. “Evolutionary pressures may have led to the predisposition of some human beings to be sensitive to nonoutcome factors because groups in which no one cares about group health are likely to find themselves at a disadvantage. In this sense, evolutionary theory helps to explain findings in the procedural justice literature as well as our findings on people’s aversion to decision makers who desire power or who use power to benefit themselves at others’ expense”.<sup>30</sup> That is, evolutionary pressures create a need for leadership in human groups in order to fulfil the role of organizing the community, but only a „good” leadership is valuable, the one which seeks to promote the general interest. Ethical sensitivity is needed to detect the real intentions and character of potential leaders.

This also implies that a mixed strategy (in game theoretical terms) of trusting and distrusting is the most useful for human communities. Although the literature on trust has a tendency to idealize it, and argue that the lack, or the decline of public confidence, is the main problem to address, some arguments challenge this view. In fact, democracy can be interpreted as a political system which institutionalizes distrust by separating the branches of power and establishing a sophisticated system of checks and balances. In this respect, exaggerated trust in one element of the system, either in the government or in the ruling party, can be interpreted as a potentially dangerous development that might lead to the decline of democratic culture and the erosion of the rule of law.

<sup>28</sup> Stefan MACHURA: Introduction: Procedural Justice, Law and Policy. *Law and Policy*, 1998/1. 5–17.

<sup>29</sup> Kevin B. SMITH – Christopher W. LARIMER – Levente LITTVAY – John R. HIBBING : Evolutionary Theory and Political Leadership: Why Certain People Do Not Trust Decision Makers. *The Journal of Politics*, 2007/2. 285–299.

<sup>30</sup> SMITH et al. op. cit. 296.



That is, distrust has its own importance, but generally speaking and from the perspective of effective governance the role of trust, legitimacy and their basic normative pillar, procedural fairness should be given emphasis.

### 3. Fairness and good governance: some remarks

In light of the above said, a good governance is one which respects basic procedural fairness norms: it is trustworthy; offers possibilities for participation; is based on the rule of law; its leaders are keeping their promises, fight corruption, respect ethical norms. However, “good governance” has become a stand-alone slogan. In the following I will make some remarks on the relationship of that term to what I called here good governance.

Good governance has a large and ever-growing literature which I cannot overview here. Generally it is defined along the following elements:<sup>31</sup>

- rule of law
- voice (possibility for participation, fora for public discussions, like the existence of independent media etc.)
- accountability (democratic elections, transparency of policy making etc.)
- lack of corruption, effective anti-corruption measures.

The indicators of the World Bank (the so called Governance Matters Indicators) also include measures of governance effectiveness, the quality of regulation, and social-political stability, but those are more indicators of the outcome, rather than the basic features of a governance.

Now, one may argue that all this delineates a rather minimalist, liberal conception of the role of the state. Certainly, the above criteria do not include, for instance, the quality of public services, the administrative capacities, or the role of the state in economic governance. (In order to be fair, however, we should mention that those aspects sometimes appear in specific studies – the notion of good governance is not a canonized one.)

However, it is striking how much the concept of good governance emphasizes norms of procedural fairness: the rule of law, voice, accountability, lack of corruption... From our perspective we may take good governance as a procedural – and procedurally fair – concept on governing. Which may not exhaust all the possible or desirable elements of state functions, but which offers a basic definition on what could make a governance good. Actually, in my mind, this was the basic motive behind its introduction and use into the development literature – because this is where it originates from. Paradoxically, while a certain interpretation of the notion of “good governance” states that it is an ideology of the use of market mechanisms in governing, the World Bank started to use this slogan in the 1990s when it realized

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<sup>31</sup> See Daniel KAUFMANN: *Rethinking Governance: Empirical Lessons Challenge Orthodoxy*. Discussion Paper. The World Bank, 2003.

that “marketization” alone is not enough to promote social development; the state and the role of the government is also needed.

And if the above said on trust, fairness and policy effectiveness is true, than good governance, even in its limited definition, should lead to increasing governing capacities and by this, to social development. Indeed, empirical studies seem to prove this:<sup>32</sup>

- Trustworthiness of the government improves the capacity of a given country to attract investments, which, in turn, contribute to economic growth.
- Key elements of good governance, such as the rule of law or voice and accountability triggers economic growth, and to a limited extent, social development. However, the causality does not work on the reverse logic: economic development does not have a positive effect on the indicators of good governance.
- The fact of an effective, politically neutral, close-to-the-Weberian-ideal state bureaucracy correlates strongly with economic development.
- Corruption destroys the effectiveness of governance and correlates with lower GDP growth.
- Transparency and accountability are of a key importance if we want to increase the quality of governance. In those countries where the government upholds and distorts information about the economy and economic policy, the independent media is weak or the parliament is not able to control the government, the quality of governance decreases.
- Transparency is a key feature of not just the government, but of the private sector as well. Actually, transparency of the public and private sectors correlates. Where transparency and accountability of the public sphere is low, the probability of “state capture” and other kinds of illegal business influences on the governance is higher.

This last point is informative also on why for instance the World Bank talks about good governance, and not, say, about reforming the public administration or increasing the effectiveness of state regulatory power. For some, this is the proof that “good governance” is not about strengthening the state, but to “privatize” the public sphere and include private actors into the game. The above indicate that this is not utterly illegitimate. Transparency, as a key element of the quality of governance – as some argue – cannot be promoted solely by reforming the public administration. Social actors, including business, the civil society and the media, are also needed for it. In theory, of course, good regulation might be enough to secure the transparency of both the public and the private sphere and to hold back corruption and illegal

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<sup>32</sup> See KAUFMANN, op. cit., and Merilee S. GRINDLE: Good Enough Governance Revisited. *Development Policy Review*, 2007/5. 553–574. The results listed here come from statistical analysis of large samples. However, Grindle warns that causality is always an issue in those analyses. For instance, case studies are more cautious in establishing clear causal relationships between different phenomena. This might be true, however, it is still remarkable how many empirical studies found relationship between the elements of good governance and economic/social development.

lobbying. However, reality is that some states are “captured” by private interests – and even the World Bank is not denying that those private interests are sometimes those of powerful multinational companies. Anyhow, good governance is not just a matter of the public administration; in fact, it is a complex, social phenomenon. That is why the issue of governing effectiveness or governing capacities cannot be tackled only inside the very realm of the state. Administrative competence is surely needed – but, according to Levi, Sacks and Tyler, as discussed above – it must include also a procedural fairness element. And other principles of good governance should also have their parts: the rule of law, voice, accountability, transparency and a fight against corruption. All this may assure that other social actors be also involved into governing, and help to promote its true “goodness”.

#### **4. Conclusion**

Legitimacy and institutional trust are not necessary for their own sake but because it is a condition of effective governance: they create cooperative attitudes and behaviour of people. Research on trust and legitimacy stresses the significance of procedural justice in shaping people’s attitudes towards the government and institutions. A possible explanation is that abiding to the principles of procedural fairness by those in power is taken to be a sign of their commitment to some kind of common good, or public interest.

The concept of good governance should be regarded as a formal framework for governing. It certainly does not offer an exhaustive definition of what governing means and implies. However, its principles can be interpreted as underlying exactly those procedural elements that are stressed by legitimacy and trust theory. If so, the concept of good governance may offer a framework for government legitimacy – and through it, ultimately, for governing effectiveness.

