POLITICAL PARTICIPATION AND GOVERNANCE EFFECTIVENESS – DOES PARTICIPATION MATTER?

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The present paper deals with the relationship between political participation and governance effectiveness. It analyses on a sample of more than one hundred countries if and how institutional design and opportunities of civic involvement in governance processes (political rights, influence on policy-making, possibilities of interests expression etc.) influences governance effectiveness. The correlation analysis of empirical data shows a strong relationship between the degree of political participation and the chosen governance performance indicators (government effectiveness, control of corruption and the management index). Correlations are controlled for economic wealth (GDP per capita), regime durability and the number of veto players. Special consideration is given to the relationship between two indicators – Voice and accountability and the Management index – using simple regression model. The main conclusion of the paper is that the extent of political participation rights and opportunities in different countries is positively related to the governance effectiveness in terms of the government effectiveness, control of corruption and, especially, the political management of developing and transforming countries.

Introduction

Political change in 1989 offered most of the people in the former Communist bloc with many new opportunities and chances, which until then were largely untapped or purely theoretical, to act within the public realm and take part in the administration of public affairs. People began to form new political parties and movements, engage in solving public political issues, restoring the foundations of the civic society, etc. Yet in spite of the initial euphoria and enormous public interest in politics, there gradually began to surface the trends well known in the traditional liberal democracies – slumping trust in the efficacy of the political elites and institutions, declining trust in and loyalty to the established political parties, and dwindling voter turnouts.

The above trends naturally could not escape the attention of not only the social scientists but also the political leaders, journalists and many other actors of social life. In these “new democracies”, too, the debate is on about the roots and possible remedies to this unfavourable development. Similarly to many other countries, the issue of political participation has emerged as one of the most frequently discussed topics. Expanding the citizens’ ability to take part in political decisions appears, to many observers, as a remedy to solve the larger proportion of the above-mentioned problems. It does not make any difference whether one talks about the oft-mentioned democratic deficit (mainly associated with the transfer of competences to the trans-national level, which is so remote from the citizens), the problem of declining legitimacy of the representative institutions, or the failed and largely ineffective top-down and expert-oriented forms of policy-making. The call for a greater popular participation was further enhanced by the reforms of public administration (decentralization, de-concentration) and of the public sector at large (privatization, custom orientation, market competition, PPP, NPM etc.) whereas the due role was played by the increased interest, on the part of the nation state as well as trans-national institutions, in participative planning and other forms of participation (as evidenced by the World Bank and its development activities).

It goes without saying that this development invites critics and opponents who point out theoretical, political and conceptual limitations and problems. With sound overstatement they liken participation to a “new tyranny” (see Cooke and Kothari 2001) or express fears about the hegemony of the majority, point out the problem of legitimacy etc. A case in hand, how to stick to the representative institutions which reportedly best mediate and aggregate citizen interests, is the rejection of a law introducing a referendum by the President of the Czech Republic and his “mother party”.

My aim in this paper is to answer whether and how is political participation related to the efficiency of governance. Having analyzed empirical data from miscellaneous sources I want to find out if there is a relationship between the institutional conditions of participation in a political process and the effectiveness of its outputs.

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Governance and Political Participation

Probably the major problems arising as we attempt to measure or even compare the quality of governance among national states (or other units) are the ambiguity and wide dispersion of the term governance. It is used in many disciplines (institutional economy, international relations, public policy, organizational studies, development studies, political science, policy analysis, sociology etc.) and there are almost as many ideas of governance as there are researchers in the field.

Governance is both a very new and very old subject in political science. It marks a return to the conception of political study organized around key words like constitution, government, polity, politics and many others. The term governance has been used for the description of decision-making processes and ensuing implementation, frequently being associated merely with the government and public administration. However, the further development of the Western democracies has aroused interest in the detailed knowledge of mechanisms and actors of governance: there have been attempts at measuring the quality of governance and – last but not least – reforms of the public sector were directly or indirectly influenced by these “reinvented” concepts of governance.

These new forms of governance should be perceived as an alternative expression of collective interests that supplement traditional, institutional forms of governing and channels. At present, governance predominantly refers to the co-ordination of social systems, public-private relations, increasing reliance on informal authority, and often makes the role of the state in society disputable. Attitudes to the state and its role ramify theoretical concepts to two different versions of governance (Pierre a Peters, 2000) and to a certain degree determine approaches to the measurement of governance. The so-called old governance is a more traditional “steering” concept of governance. The state and its political and institutional capacity to steer the society are in the centre of interest (the state-centric approach). By contrast, new governance is a modern concept of governance focusing mainly on the role of society (society-centric) and its ability to co-ordinate common interests and self-steering (positive approach) or to resist the regulations and impositions of the state (negative approach). In the former approach, government (or the state as a whole) is regarded as one of many (more or less) equal actors in society, together constituting a network regulating and coordinating policy sectors according to the preferences and interests of their members. The latter approach perceives the government as legitimate but low-performance authority contrary to clever and capable citizens who “know better what they need” and are able to resist government interventions.

A very influential stream within the first, state-centric approach is good governance presented by the World Bank in 1992 as part of the criteria for granting loans to developing countries. The concept referred to changes in the public sector associated with "new public management" and thus indirectly followed up on the theory of rational choice and the theory of public choice. According to the World Bank, these neo-liberal forms led to a better effectiveness of public services and the public sector in general. In this sense, the notion “governance” is most often defined as the “exercise of authority through formal and informal traditions and institutions for the common good, thus encompassing: (1) the process of selecting, monitoring, and replacing governments; (2) the capacity to formulate and implement sound policies and deliver public services, and (3) the respect of citizens and the state for the institutions that govern economic and social interactions among them”. (Rethinking Governance, Kaufmann 2003)

This concept has been largely embraced also by other international organizations (e.g. the United Nations) and become an integral part of their activities. The underlying idea of these activities is that bad governance is being increasingly regarded as one of the root causes of all evil within societies. International organizations should therefore gear their activities, as part of their aid, towards developing institutions and processes that are more responsive to the needs of ordinary citizens, including excluded and poor people. This core of the good governance approach is closely related to processes of democratization, where the primary challenge concerns deepening and strengthening the quality of democracy. International agencies have used a triple strategy to promote this process. Aid has been devoted to strengthening independent judiciaries and effective legislatures designed to curb and counterbalance executive powers. Democratic assistance has flowed into attempts to foster and expand civic society by nurturing grassroots organizations, advocacy NGOs, and the news media. But among all the issues, perhaps the most resources have been invested in attempts to establish competitive, free and fair elections and other forms of participation on governance processes.

The rationale of the second (society-centric) approach are succinctly formulated within the participative theories of democracy, which stem from the assumption that the public can exercise – or rather ought to exercise – more direct influence on the processes of governance than offered by representative democracy. An
individual should have the right to participate in the activities of a political community and in effective decision-making about the shared future through individual or collective action. The main theoretical streams comprise **communitarism**, **deliberative democracy** and **direct democracy**. In various permutations and combinations, the adherents of the participative theories emphasize the need to strengthen the lower echelons of public administration, enhance direct-participation opportunities of the citizens (e.g. through plebiscite, civic-based policy-making efforts, public debate etc.), the capacity for societal self-regulation etc. Participation spurs the broadening of responsibility for the decisions adapted to each and every citizen and their commitments towards society, thereby fostering public political competences and enhancing the quality of collective decision-making. Direct democracy strengthens empathy among groups with different interests and improves the shared political culture. Conflicts between social groups get resolved openly and their sum does not equal zero. (Pierre and Peters, 2000)

On both counts, these different, even contradicting, approaches standardize on one issue. International agencies claim that political participation is a key cornerstone of good governance in harmonizing the activities of the state, private and public (non-profit) sectors, allowing markets to flourish and people to live healthier and happier lives. Yet political participation perhaps has an even more important role to play in the second approach mentioned – people can control and influence government actions, express their interests and also exert pressure for them to be asserted, this not only through representative institutions and perhaps in elections once in a blue moon. Having outlined these arguments, there are questions I want to address in this paper.

**Is the extent of political participation rights and opportunities in different countries related to the governance effectiveness, and if so, how?**

These questions are clearly referring not only to the formal institutional environment of political processes, rights and civil liberties. Citizens’ opportunities to elect their representatives and government, to interfere with policy agenda setting and policy-making, to express their interests through political parties, civic movements etc. are also considered. Are the governments of countries with opener, freer and more competitive political participation institutions really more efficient and successful, and what is the relationship between the political-participation institutions and the quality of governance?

These questions generally have to do with the relationships between the process and outputs of governance. Performance refers to the quality of governance in terms of a (normative) outcome, such as the level of corruption, political stability, government effectiveness, economic performance etc. On the contrary, the process refers to the quality of governance in terms of how outcomes are achieved and stems from a human rights approach to development. (Court, Hyden and Mease 2002). Is there a connection between the process of mediating individual and group interests in society and the outcomes of this process?

The next chapter further specifies these questions and renders them operational in view of their empirical verification in international comparison. But first let me briefly touch upon the subject of some methodological aspects of measuring governance and political participation that are critical for the selection of adequate indicators and the methods of analyzing them.

**Methodology and Data Sources**

**Governance**

The number of potential approaches to the measuring of governance is at least the same as the number of various concepts and meanings of the term “governance”. If one focuses focus on methodology one can find two main distinctions among these approaches. The first one is between the objective and subjective measurement of governance. The **objective measurement** is based on the assessment of hard data coming from different branches of knowledge – economy (GDP, SDP, government debts, taxation, productivity etc.), demography (life expectancy, infant mortality etc.) and other social sciences (estimates of riots and strikes, literacy rate, unemployment rate, Gini index etc.). The main advantage of the objective measurement is the accessibility of (almost complete) data for the majority of countries or regions and credibility (for politicians, businessmen, donors etc. have hard data that often give a better image contrary to subjective opinions, perceptions etc.). However, quite a few very important and interesting facts related to and influencing the quality of governance cannot be objectively measured and hard data sources are often incomplete, mainly for underdeveloped countries. Hence there exist **subjective measures** that are based on the subjective perception of various aspects of governance (corruption, human rights, trust, the rule of law, freedom, evaluation of economy/public
services/government etc.). Respondents in such surveys are mainly experts or residents from a given country and so results are the aggregated collective opinions of a subjectively chosen sample (representative or not) and have a normative content unlike the objective measures. Subjective perception may often be just as important as objective measurement and has a significant explanatory power. It can give the truest and most exact picture of actual governance issues for the given unit and can be more useful for the decision-maker to formulate and implement the appropriate policies or solutions. On the other hand the quality and follow-up utility of such surveys is very dependent on the nature of the questions and the quality of the respondents. It may so be that the subjective assessments are influenced by the knowledge of recent situation in other fields of interests. For example an "expert" who is asked to rate a country about which he/she knows very little might surmise that corruption must not be too severe in the given country because it has been growing so rapidly and attracting so much investment.

The second distinction is between the direct and indirect measurements. The realm of governance is quite specific in this respect as there are virtually no unbiased direct yardsticks (indicators) of governance, and practically all variables of governance measurement merely convey the relationship between the measured property and the indicator. They are not the values that we really want to measure. There are basically two ways to overcome this hurdle. In the first approach we use subjective answers to direct questions on given aspects of governance as plausible indicators of the real situation. It is a very useful and quick method for expert surveys provided that the assignment is clear and generally comprehensible for all participants and there is a valid assumption that they are genuine experts in the given field.

The second approach is based on the measurement of indirect variables (subjective or objective proxies) which are aggregated to indicators according to an accepted theoretical framework. In this manner are developed indicators or indexes which by several proxies measure macro political phenomena such as political stability, institutional efficiency and the rule of law, the quality of democratic institutions and many more. These aggregate indicators are usually more informative about the level of governance than any single indicator. The main advantage of this method is that it allows for the quantification of the precision of both individual sources of governance data and country-specific aggregate governance indicators for the utilization of governance data from many sources. Drawbacks of aggregation are reduction of information and difficulties in interpretation.

Let me point out that it is deceptive to offer very precise rankings of countries according to their level of governance. Nevertheless, the measuring of governance is very useful because it allows countries to be sorted into broad groupings according to the levels of governance, identifies strong and weak points of individual countries, provides investors or donors with useful information, supports more effective public policy and can be also used to study the causes and consequences of governance.

**Political participation**

Empirical investigation of political participation could be split between two basic yet mutually interlinked approaches. The first approach deals with the realistic extant level of popular engagement in the processes of governance. The chief objects of interest are the level (local, regional, national etc.) and method (voting, campaigning, contacting, protesting etc.) of political participation. In this context, the influence of various manners of political participation and the motivation to either reject participation or indeed become an active part of it are studied (see for example Verba et. al 1978, 1995; Olson 1965). Individual and national patterns of political behaviour are also compared. Cross-national comparison of political participation patterns concentrate largely on voting because of the availability of internationally comparable data on voter turnout and the relevance of national elections for the given political system. As evidenced by such international comparisons, voter turnout shall be influenced largely by a number of institutional factors (e.g. voter registration systems, electoral procedures, degree of political competition in the society and the party system) which, taken together, create an institutional environment of the given country’s political system (see Crepaz 1990; Jackman and Miller 1995, Powell 1986).

Investigation of these institutional factors and conditions of political systems is the rationale of the second approach to measuring political participation that forms the basis of my paper.

**Data sources and indicators**

It follows from the previous text that the two phenomena under comparison are rather complex from the methodological point of view. The said complexity should be contributed in no small measure to the non-existence of consensus on suitable and relevant indicators which are quite often available for a limited number of countries. I have therefore tried to base my answer to the nagging question on the broadest possible range of available (and methodologically suitable) data. The data under comparison was gleaned from four different sources.
1. **Aggregated Governance Indicators** (The World Bank Institute; also known as KKZ according to abbreviation of authors’ names) are based on hundreds of individual variables measuring perceptions of governance, drawn from 25 separate data sources constructed by 18 different organizations, and cover 199 countries and territories for four time periods: 1996, 1998, 2000, and 2002. Sources of governance data are either polls of experts or cross-country firm managers or citizens in general. Indicators based on the survey present averages by country of the responses of a large number of respondents to a variety of questions related to governance. Typically, survey respondents are asked to rate aspects of governance on a categorical scale. Some sources focus on the opinion of the business community, others focus on the opinion of expatriates, and some are broad-based surveys of citizens. Thus obtained individual measures of governance are assigned to categories capturing key dimensions of governance and aggregated to six governance indicators with estimates ranged between –2.5 (worst governance) and +2.5 (best governance). I have selected three such indicators:

- **Voice and accountability** – evaluation of various aspects of political process, civil freedoms, political rights and media independence;
- **Government effectiveness** – perception of the quality of public services provided, of public administration, competence of civil servants, independence of state administration and credibility of government;
- **Control of corruption** – perception of corruption classically defined as the discharge of public authority for private gains, also measuring the frequency of “incentive payments so matters are successfully resolved” etc., impact of corruption on business activities, and measuring large-scale corruption in politics.

2. **Management index** (part of Bertelsmann Transformation Index) reveals the extent to which governments and important political actors have been consistent and determined in pursuing a market-based economy (Bertelsmann Foundation 2004). This comprises five criteria (reliable pursuit of goals, effective use of resources, governance capability, consensus-building, international cooperation) evaluated in two rounds of expert assessment on a scale ranging from one (criterion not fulfilled) to ten points (criterion fulfilled). The results are firstly adjusted within regions and then by international comparison. In the last step, the criteria for the quality of management are weighted by the difficulty level of transformation processes in each country (the difficulty level of an initial situation and limitation of resources). Evaluation considers the current reform policies of a government in the power at the time of observation and its management achievements during the five-year period and is based on self-collected qualitative performance data. (Hartmann 2004)

3. **Polity IV** is a database of political regime characteristics and transitions. The Polity project was originally formulated by Ted Robert Gurr to test the durability of states. It includes democracy and autocracy indicators for over 160 countries for the purposes of comparative, quantitative analysis. For my purposes I have selected the following two variables:

- **Political competition concept** which is based on two dimensions of political competition: the degree of institutionalization, or regulation, of political competition and the extent of government restriction on political competition. Within the first dimension is judged the existence and extent of “if, when, and how” rules and political preferences are organized and expressed. The second dimension, the competitiveness of political participation, refers to the extent to which alternative preferences for policy formation and leadership roles can be pursued in the political arena. The political competition concept combines these two dimensions and is scaled to roughly correspond with the degree of democracy of political competition within the polity. It identifies 10 broad patterns of political competition from suppressed competition to institutionalized open electoral participation. (Marshall and Jaggers 2002)
- **Regime durability** counts the number of years since the most recent regime change (defined by a three-point change in the Polity score over a period of three years or less) or the end of a transition period defined by the lack of stable political institutions. The first year during which a new (post-change) polity is established is coded as the baseline “year zero” (value = 0) and each subsequent year adds one to the value of the variable consecutively until a new regime change or transition period occurs. Values are entered for all years beginning with the first regime change since 1800 or the date of independence if that event occurred after 1800. (Marshall and Jaggers 2002)

4. **Number of veto players** (Database of Political Institutions, World Bank’s Development Research Group) counts the number of veto players in a political system, adjusting for whether these veto players
are independent of each other, as determined by the level of electoral competitiveness in the system, their respective party affiliations, and the electoral rules. (Beck at al. undated).

As evident from the very characteristics of individual indicators, I have opted for the World Bank Institute indicator to characterize institutional factors of political participation – Voice and accountability – and the concept variable of Political competition from the Polity IV project. The performance indicators are Government effectiveness, Control of corruption (both WBI) and Bertelsmann’s Management index. All the verified relationships have been controlled for economic wealth (per capita GDP in PPP), the number of veto players (DPI) and the regime durability (Polity IV). Main characteristic of these indicators are presented in the table below.

Table 1 – Governance indicators and control variables characteristics

<table>
<thead>
<tr>
<th>Group</th>
<th>Name</th>
<th>No. of countries in the analysis</th>
<th>Measure</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>process</td>
<td>Political competition</td>
<td>154</td>
<td>ordinal discrete (10 categories)</td>
<td>2002</td>
</tr>
<tr>
<td></td>
<td>Voice and accountability</td>
<td>159</td>
<td>ordinal continuous (-2.5 to +2.5)</td>
<td>2002</td>
</tr>
<tr>
<td></td>
<td>Government effectiveness</td>
<td>159</td>
<td>ordinal continuous (-2.5 to +2.5)</td>
<td>2002</td>
</tr>
<tr>
<td></td>
<td>Control of corruption</td>
<td>159</td>
<td>ordinal continuous (-2.5 to +2.5)</td>
<td>2002</td>
</tr>
<tr>
<td></td>
<td>Management index</td>
<td>115</td>
<td>ordinal continuous (1 to 10)</td>
<td>1998 - 2003</td>
</tr>
<tr>
<td>control</td>
<td>GDP per capita in PPP</td>
<td>152</td>
<td>scale</td>
<td>2002</td>
</tr>
<tr>
<td></td>
<td>Number of veto players</td>
<td>139</td>
<td>scale</td>
<td>2000</td>
</tr>
<tr>
<td></td>
<td>Regime durability</td>
<td>159</td>
<td>scale</td>
<td>2002</td>
</tr>
</tbody>
</table>

With the assistance of these indicators I want to demonstrate the relationship between process and performance of governance. However, this paper has not demonstrated one-way causality from more political participation to the efficient governance. The analysed relationship is more likely mutual, thus the more effective governance could be at the same time product and the constituent of open and free institutional design of political participation. Nevertheless, it does give us some food for thought and discussions about strengthening of public influence on the governance.

**Results**

I have conducted my search of the answer to the above question in three steps. In steps 1 and 2 correlation analysis was applied in investigating mutual relationships and their potential strength. Because of the differing character of variables input in the analysis, two types of correlation coefficients were used. For the analysis of relations between continuous variables (step 1), the parametric Pearson’s correlation coefficient was used. However, the Political competition variable necessitated the use of a nonparametric measure of association for ordinal or ranked variables called Kendall's tau-b (step 2). Interpretation of this coefficient is similar as for Pearson’s coefficient.

In step 3, I used a simple regression model to specifically focus on one selected relation between the institutional factors of political representation and governance effectiveness.

At first, then, I investigate the relationship between the Voice and accountability and the chosen indicators of governance effectiveness. Control variables are also taken into account by means of partial correlation.
Table 2 – Pearson’s and partial correlations among Voice and accountability and governance effectiveness indicators

<table>
<thead>
<tr>
<th></th>
<th>Voice and accountability</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pearson correlation</td>
<td>Partial correlation**</td>
<td></td>
</tr>
<tr>
<td>Government effectiveness</td>
<td>.817*</td>
<td>.533*</td>
<td></td>
</tr>
<tr>
<td>Control of corruption</td>
<td>.773*</td>
<td>.482*</td>
<td></td>
</tr>
<tr>
<td>Management index</td>
<td>.891*</td>
<td>.822*</td>
<td></td>
</tr>
</tbody>
</table>

* - Correlation is significant at the 0.01 level (2-tailed).
** - Controlled for GDP per capita in PPP, the number of veto players and the regime durability.

All the three relations under investigation display a fair amount of strength which, however, is in the first two cases considerably influenced by control variables (difference between Pearson’s correlation coefficient and partial correlation coefficient). There nevertheless exists a very prominent relationship between analyzed variables, and all correlations are significant at the 0.01 level. The strongest relationship in the third case of the Management index is the subject of the following text.

Before that, let us yet see the second relationship between Political competition and governance effectiveness indicators.

Table 3 – Kendall's tau-b among Political competition and governance effectiveness indicators

<table>
<thead>
<tr>
<th></th>
<th>Political competition</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kendall's tau-b</td>
</tr>
<tr>
<td>Government effectiveness</td>
<td>.435*</td>
</tr>
<tr>
<td>Control of corruption</td>
<td>.397*</td>
</tr>
<tr>
<td>Management index</td>
<td>.532*</td>
</tr>
</tbody>
</table>

* - Correlation is significant at the 0.01 level (2-tailed).

There is a clear, significant, and rather strong relationship among analyzed process and performance indicators. As in the previous case, institutional factors of political participation bear the most on the Management index and least on the Control of corruption.

Based on these results I can say that there is strong empirical evidence that the extent of political participation rights and opportunities in different countries is positively related to the governance effectiveness in terms of the government effectiveness, control of corruption and, especially, the political management of developing and transforming countries. The last mentioned relationship has been chosen to show this assertion in great detail.

The selection of the Management index for further analysis is not reasonless. The relationship between Voice and accountability (process) and political management (performance) is noteworthy on several counts. Firstly, this is the strongest relationship ever, and the control variables had virtually no impact on the strength of this relationship. This was corroborated by correlation analysis (see difference between Pearson’s correlation and partial correlation coefficients) as well as by the linear regression model.

Table 4 – Summary of the regression model

<table>
<thead>
<tr>
<th>Model Summaryb</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>.888a</td>
<td>.788</td>
<td>.779</td>
<td>.8617</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Number of veto players, GDP per capita 2002 (PPP US), Regime Durability, Voice and Accountability

b. Dependent Variable: Management Index
Table 5 – Coefficients of the regression model

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>5,155</td>
<td>.258</td>
<td>19,957</td>
<td>.000</td>
</tr>
<tr>
<td>Voice and Accountability</td>
<td>2,047</td>
<td>.149</td>
<td>.925</td>
<td>13,704</td>
</tr>
<tr>
<td>Regime Durability</td>
<td>1,011E-02</td>
<td>.006</td>
<td>.092</td>
<td>1,731</td>
</tr>
<tr>
<td>GDP per capita 2002</td>
<td>2,699E-06</td>
<td>.007</td>
<td>.105</td>
<td>.917</td>
</tr>
<tr>
<td>(PPP US)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of veto players</td>
<td>-9,28E-02</td>
<td>.056</td>
<td>-1,663</td>
<td>.100</td>
</tr>
</tbody>
</table>

Second reason is a specificity of construction of the Management index. A virtually zero impact of economic wealth (per capita GDP in PPP) is particularly noticeable, which is very probably due to weighing the results of the difficulty level of the transformation process (economic development, educational level of population, intensity of conflicts, civil-society traditions and the state’s institutional capacity). Evaluation therefore considers the severity of conditions, and my simple model confirms that this index sensitively responds to the “real” capacities of the governments and important political actors (such as president, parliament, parties in opposition, representatives from non-profit sector and business) in the transformation process towards a market-based democracy.

Graf 1 – Scatter plot Voice and accountability and the Management index

Positive linear trend is clearly visible in the scatter plot (red line). There is only one among the top ten countries with the best political management performance which have scored below 0.5 on the Voice and accountability – Mali.
Conclusion
It is not very bold to claim that where there is a more open and competitive political system and its institutional environment gives more space for participation, there is generally a more adept and efficient government together with more adept and efficient important political actors in the game and vice versa. Within such political systems government works effectively, interests of people are better mediated and so the quality of public services is higher. Hand in hand goes more efficient and independent public administration with competent civil servants, credible government and less corrupted politicians and officials.

The more interesting finding is the important role that political participation plays in the transformation process. Even in the countries with difficult starting conditions could be development towards market-based democracy governed effectively if there is more open and wide space for public participation. However, strengthening and deepening of political participation is not the general solution for all countries and under all conditions. Used indicators aggregate a wide range of different assessments and as such must be interpreted. Different countries with different conditions are supposed to select own solutions and strategies which match best to them. On the other hand, Hartmann (2004) point out that majority of the top performers in the Bertelsmann Transformation Index ratings based their reform policies on a broad consensus in society. They also consolidated their democratic institutions and strengthened competitiveness.
Bibliography


