

Governance & Economic Development: How Context Matters

Korea's Developmental State in Comparative Perspective

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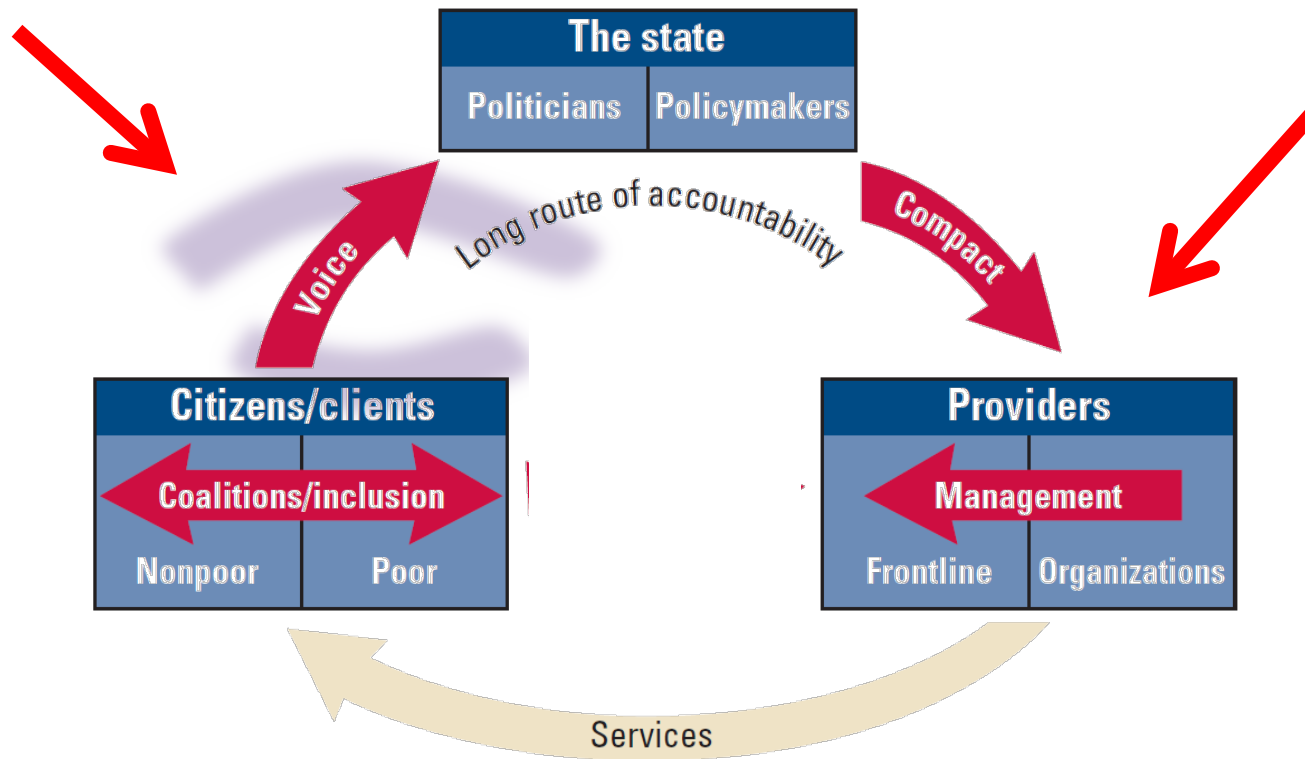
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'Good governance': destination vs journey

VOICE

COMPACT



	THREE STATE TYPES		
	<i>Capable</i> (<i>'good gvnce'</i>)	<i>Developmental</i>	<i>Clientelistic</i>
Political governance	Programmatic political competition	Top-down leadership	Multiple elite factions
Bureaucracy	Weberian/NPM <i>"compact"</i>	Weberian/NPM <i>"compact"</i>	Personalized
Business-government	Arms-length	"Country Inc."	Personalized
Background Institutions	Rule of Law	Rule by Law	De facto vs de jure

Korea's Developmental State: Some context-specific supportive characteristics

(overdetermined; not 'necessary'; e.g. Ethiopia)

ECONOMIC

- Labour-intensive vs natural resource intensive
- 'Stage' of development: investment-driven growth
- Low inequality

SOCIAL, POLITICAL, CULTURAL

- Homogenous society
- Developmental leadership
- Bureaucracy: 500+ years of meritocratic recruitment & promotion
- Confucian: hierarchy & reciprocity

The limits of institutional engineering

- **Bureaucracy is governed by politics**
 - Mushtaq Khan: *“Is distribution of benefits supported by institutions consistent with distribution of power?”*
- **Historical legacies:**
 - Colonial (Acemoglu & Robinson)
 - “Give war a chance?” (Tilly; Fukuyama)
- **Economic development:**
 - Emergence of ‘majority’ middle class

Messy democracies: From top-down public sector to multiple principals/stakeholders



Islands of effectiveness I: –A Spectrum of Reform Options

- ***Incremental approaches*** which work around obstacles are at one end of the spectrum
- ***Multistakeholder approaches*** which aim to expand reform space are at the other end



Adapt design to align with
existing reform space

Expand reform space
via multistakeholder initiatives

Islands 2: Inclusive Development.....

- **Agricultural development**
- **Human development**
- **Cities**
- **Natural resources**

BUT

- Elites rarely will spontaneously embrace reforms that transfer rents to historically excluded groups....

Governance Activism for Inclusive Development

- **Agricultural development**
 - Building the bargaining power of small farmers
- **Human development **for all****
 - Bringing transparency & participation out of their technocratic shadows
- **Cities **that work for all****
 - Inclusive services; clean city government
 - Medellin, Palermo, Delhi, Solo.....
- **Natural resources **justice****
 - Who benefits? Who gets hurt?

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THANK YOU!!!!

