

Determinants and convergence of government effectiveness in Africa and Asia

Government
effectiveness in
Africa & Asia

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Abstract

Purpose – The purpose of this paper is to examine the determinants and convergence of government effectiveness in African and Asian countries.

Design/methodology/approach – The study utilizes data from 100 countries in Africa and Asia from 2002 to 2018. The panel-corrected standard error regression is used for the regression analysis, while both beta-convergence and sigma-convergence among the countries are tested.

Findings – Both beta-convergence and sigma-convergence exist among African and Asian countries. Asia performs better than Africa across all indicators except for press freedom, and voice and accountability. Corruption perception index, government size, voice and accountability, regulatory quality and economic wealth have a significant positive effect on government effectiveness. Press freedom negatively impacts on government effectiveness, suggesting that freedom is necessary but not sufficient if there are political actors whose actions undermine freedom. Similarly, the political constraint index, as reflected by checks and balances are necessary but not sufficient to enhance government effectiveness, especially in Asia.

Practical implications – The results reveal that for press freedom and political checks and balances to enhance government effectiveness, there is a need for a different and holistic approach. The results are relevant for policymakers, public sector practitioners and academics.

Originality/value – This study utilizes a new dataset and is premier in exploring the convergence of government effectiveness among African and Asian countries.

Keywords Government effectiveness, Corruption, Press freedom, Regulatory quality, Accountability, Convergence

Paper type Research paper

Introduction

The governance literature is yet to have a universal agreement on the measurement of indicators such as effectiveness and quality in performance measurement (García-Sánchez *et al.*, 2016, Brewer *et al.*, 2007). Effectiveness of government addresses whether public administration carries out its mandate as expected, whether citizens work hard and well, whether the actions of public servants and the procedures of the civil service achieve objectives and overall missions at large (Rainey and Steinbauer, 1999). Government effectiveness could be materialized by ensuring citizen-centric service offerings and actions of government by way of increasing accountability. There is empirical evidence to suggest



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that enhanced effectiveness of government will result in high economic growth, foreign direct investment, social infrastructure, public investment, quality procurement system, reduced corruption, and reduced infant mortality (García-Sánchez *et al.*, 2013).

A body of studies (Moynihan and Pandey, 2004; Kim, 2004) also suggest various models measure effectiveness while García-Sánchez *et al.* (2016) argue that studies that use explanatory variables to examine effectiveness are scanty. A scan through these nexus testing studies suggests that most of them are concentrated outside Africa and Asia but have a focus on the Western world. Brewer *et al.* (2007) argued that most of the governance research is limited to historical case studies, a result of complexity in making comparisons among countries. The problem with the extant literature for use today is that they do not account for new datasets and added variables that are also relevant. There are many regional and country-specific changes in regulations and performances of countries that warrant further investigation using the new data. For instance, the new public management and public financial management, the insurgence of technology and its application in the public sector have resulted in some gains across some countries in government effectiveness. The extant literature has also failed to answer the question as to whether less effective countries catch-up with more effective countries or not. The convergence theory has been used in the development literature to assess how countries mimic other countries to enhance their performances (Barro and Sala-i-Martin, 1991; Barro and Sala-i-Martin, 1992).

This paper examines the determinants of government effectiveness in Africa and Asia by addressing two research questions: (1) Does government effectiveness converge in Africa and Asia? (2) What are the determinants of government effectiveness in Africa and Asia? The study utilizes current data covering from 2002 to 2018 and the regression model to address the questions. The study used the panel-corrected standard error regression of Beck and Katz (1995), which accounts for both heteroskedasticity and serial correlation. Besides, the beta-convergence and sigma-convergence models have been used to test for the presence of convergence in government effectiveness (Barro and Sala-i-Martin, 1991; Barro and Sala-i-Martin, 1992). In a nutshell, the result indicates that both beta-convergence and sigma-convergence exist among African and Asian countries, with the latter showing a greater extent. Among all explanatory variables, Asia performs better than Africa except for press freedom, and voice and accountability. Corruption perception index, government size, voice and accountability, regulatory quality, and economic wealth have a significant positive effect on government effectiveness. Press freedom harms government effectiveness suggesting that freedom is necessary but not sufficient if there are political actors whose actions undermine freedom. Similarly, the political constraint index, as reflected by checks and balances, is necessary but not sufficient to enhance government effectiveness, especially in Asia. The results reveal that for press freedom and political checks and balances to enhance government effectiveness, there is a need for a different and holistic approach. This study utilizes a new dataset that helps in exploring the convergence of government effectiveness among African and Asian countries.

The paper is organized in this manner. The next section provides a conceptual discussion of government effectiveness, with a review of the extant literature. The methodology used to address the research questions is then discussed. The penultimate section provides a discussion of the results in line with existing literature. The final section concludes the study and provides cues for future research.

Literature review on government effectiveness

Concept of government effectiveness in Africa and Asia

Government effectiveness is a concept that is relevant in the public policy space. Public policy is a means by which governments implement their political visions to deliver desired

changes. The effectiveness of government is an issue of concern for governments and the populace. Effectiveness is the measure of the quality of output and how well policy achieves desired objectives (Kim and Voorhees, 2011; Osborne and Gaebler, 1992). Measuring effectiveness entails the use of the opinions of stakeholders, which makes it a relative concept to assess. Government effectiveness encompasses the “perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government’s commitment to such policies” (Kaufmann *et al.*, 2008). It constitutes sound policy formulation, proper implementation and citizen-centric policies in general. All things being equal, the more effective the government of a nation is, the higher the level of social welfare (Sacks and Levi, 2010). Thus, effectiveness is a key performance indicator of interest for African and Asian economies in improving the status of their citizens.

African and Asian countries still need to make more strides in government effectiveness. Comprehensive insights on the performance of countries can be assessed using the ratings of the government effectiveness index. The scores range from -2.5 (weak) to 2.5 (strong). This provides a year-on-year assessment of countries (TheGlobalEconomy.com, 2020). As of 2002, only 8 African countries out of 53 countries recorded a non-negative score under the government effectiveness index. These include South Africa, Botswana, Tunisia, Mauritius, Seychelles, Namibia, Senegal and Mauritania. As of 2018, this has changed as countries such as Tunisia, Senegal and Mauritania dropped while others like Cape Verde and Rwanda gained positive scores. Also, countries such as Chad, Democratic Republic of Congo, Sudan, Comoros, Central Africa Republic, Eritrea, Libya and Somalia are those at the bottom. More so, about 17 out of 48 Asian countries record non-negative scores on government effectiveness in 2002. These include Singapore, Hong Kong, Israel, Japan, Malaysia, South Korea, Macao, United Arab Emirates, Taiwan, Bhutan, Bahrain, Qatar, Maldives, Oman, Thailand, Jordan and Kuwait. This list increased to 23 countries by 2018 with some notable ones such as Georgia, China, Saudi Arabia, India, Indonesia, Philippines, Kazakhstan and Vietnam making some strides. The countries with the least scores are Iraq, Afghanistan, North Korea, Syria and Yemen.

Studies on government effectiveness

Early studies on government effectiveness posit that national income is the only determinant of government effectiveness (Garcia-Sanchez *et al.*, 2013). Government effectiveness has been described by O’dwyer and Ziblatt (2006) as a concept that is clear intuitively but has been contested and very difficult to measure (Linz and Stepan, 1978). Effectiveness in the management literature encompasses the ability to achieve desired results despite resource constraints. Many researchers associated with the World Bank have been involved with the conceptualization and measurement of government effectiveness (Kaufmann *et al.*, 1999). This study uses a survey-based data on the “perceptions of the quality of public service provision, the quality of the bureaucracy, the competence of civil servants, the independence of the civil service from political pressures, and the credibility of the government’s commitment to policies” (Kaufmann *et al.*, 1999, p. 8).

In the extant literature, some studies have explored the determinants of government effectiveness, while others examined how government effectiveness affects other macro-level variables. The first strand of such studies, such as La Porta *et al.* (1999) and Adsera *et al.* (2003), focus on the quality of government. La Porta *et al.* (1999) examined how political freedom, size of government, provision of a public good, efficiency in the public sector and government intervention affects the quality of government. The study found that cultural difference is vital for determining the quality of government. This was discounted by Islam and Montenegro (2002) in their study, which argues that social features do not affect the quality of government.

Table 1.
Relevant literature on
determinants of
government
effectiveness

[Adsera et al. \(2003\)](#) found empirical evidence to suggest that the obligation that rests on political actors to act in the interest of electorates affects the quality of government.

The second strand of studies in this area explored the determinants of government effectiveness. [Brewer et al. \(2007\)](#) utilized the World Bank's Governance Indicators to explore the nexus between accountability, corruption and government effectiveness in Asian countries covering the period from 1996 to 2005. The result suggests that factors such as wealth and income, corruption, as well as accountability and voice significantly impact the effectiveness of Asian governments. Other variables included in the study are the rule of law, regulatory quality, political stability and absence of violence, which are all in line with the six dimensions of governance ([WGI, 2020b](#)). The study concludes that democratic governance does not influence government effectiveness, although [Whitford and Lee \(2012\)](#) found a non-linear link between democratization and income-adjusted government effectiveness.

Similarly, [Lee and Whitford \(2009\)](#) used the six dimensions of governance and other variables in their study to compare government effectiveness across countries covering from 1996 to 2006. The study argues that better insight is derived when multiple measures and cross-country analyses are carried out. [Garcia-Sanchez et al. \(2013\)](#) developed a framework of three categories of variables, namely organizational environment, organization characteristic and political characteristics as a set of variables that determine government effectiveness. Specifically, the study explored how economic development proxied by GDP per capita, educational status, the government size, gender diversity, and political constraint index affects government effectiveness. The result indicates a significant positive relationship

Author	Area	Key Variables
Brewer et al. (2007)	Accountability, corruption and government effectiveness in Asia	Voice and accountability, political stability and absence of violence, government effectiveness, the rule of law, regulatory quality, and control of corruption.
Lee and Whitford (2009)	Government effectiveness in 212 countries	Varied variables, voice and accountability, political stability and absence of violence, government effectiveness, the rule of law, regulatory quality, and control of corruption, Gross Domestic Product (GDP)
Ahlerup and Hansson (2011) Whitford and Lee (2012)	Nationalism and government effectiveness Disorder, dictatorship and government effectiveness	Nationalism, ethnic fractionalization and trade openness Polity, English origins, land area, strong presidential system, weak presidential system, the strong federal system, weak federal system, proportional representation, military government, fraud in last national election, OECD member
Garcia-Sanchez et al. (2013)	Determinants of government effectiveness in 202 countries from 2002 to 2008	GDP per capita, educational status, government size, gender diversity, political constraint index
Magalhães (2014)	Government effectiveness and support for democracy	Free/Liberal democracy, GDP per capita, income inequality, ethnic fractionalization, gender, education, employment status
García-Sánchez et al. (2016)	Media freedom and government effectiveness in 202 countries from 202 to 2008	Freedom media press, GDP per capita, educational status, government size, gender diversity, political constraint index
Montes and Paschoal (2016)	Corruption and government effectiveness in 130 developed and developing countries from 1995 to 2012	Corruption perception index, control of corruption, gross government debt, inflation, trade openness, the rule of law and democracy

between the explanatory variables and government effectiveness except for government size and political constraints index, which were negatively significant. [García-Sánchez et al. \(2016\)](#) included a variable to capture media freedom and found that in developed countries, the freedom of media enhances government effectiveness.

The third strand of studies explores the nexus between government effectiveness and various variables. For example, [Ahlerup and Hansson \(2011\)](#) explored the link between nationalism and government effectiveness, which is curvilinear and inverted U-shaped. [Whitford and Lee \(2012\)](#) also found a U-shaped nexus between democratization and income adjusted government effectiveness. [Magalhães \(2014\)](#) provides empirical evidence to suggest that government effectiveness results in quality policymaking and implementation, which provides support for democracy. [Montes and Paschoal \(2016\)](#) found that developing countries with more democratic regimes have effective governments.

The general perspective from extant literature is that a focus on Asian and African countries is still scanty. More so, there is paucity in the literature on the possibility of government effectiveness converging among countries and across time. This study aims to fill the gap in the literature by utilizing contemporary data.

Methodology

Data and sources

The study utilizes country-specific datasets sourced from different organizations, such as the World Bank, the International Monetary Fund, and Transparency International. The data covers in total, 100 countries with 53 from Africa and 47 countries from Asia. Also, the data span the period from 2002 to 2018.

Econometric model

The study adopts the regression model of earlier studies to examine the effect of explanatory variables on government effectiveness. Since the study aims to carry out a comparison between the results in Africa and Asia, the analysis has been carried out with a pooled dataset and then separated based on the two continents. The regression equation is expressed as follows:

$$GE_{i,t} = \alpha_0 + \beta_1 CPI_{i,t} + \beta_2 PFI_{i,t} + \beta_3 PCI_{i,t} + \beta_4 LSIZE_{i,t} + \beta_5 VA_{i,t} + \beta_6 RQ_{i,t} + \beta_7 LGDPPC_{i,t} + \varepsilon_{i,t}$$

Eqn. 1

Where GE is government effectiveness; CPI is corruption perception index; PFI is press freedom index; PCI is political constraint index; LSIZE is the size of government; VA is voice and accountability; RQ is regulatory quality; LGDPPC is GDP per capita; α is the constant term, β represents the coefficients, and ε is the error term. Also, the variables differ with time (t) and country (i).

The specification of the regression model and the regression technique used may have implications on the inferences made. Thus, the study checks for the presence of heteroskedasticity and serial correlation. The diagnostic tests are conducted using the serial correlation discussed by [Wooldridge \(2002\)](#) and Breusch-Pagan/Cook-Weisberg ([Breusch and Pagan, 1979](#), [Cook and Weisberg, 1983](#)) Lagrange multiplier test, respectively. The panel-corrected standard error regression of [Beck and Katz \(1995\)](#) has been used, which corrects for the problem of heteroskedasticity and serial correlation. [Table 2](#) presents the variables, their sources and a brief description for clarity.

Government effectiveness according to beta-convergence and sigma-convergence

The study proceeds to explore the extent to which countries converge in terms of government effectiveness. Convergence occurs when poor performing countries developing relatively

faster than rich countries. In this study, the beta-convergence and sigma-convergence of government effectiveness have been examined in line with studies such as Barro and Sala-i-Martin (1991), Barro and Sala-i-Martin (1992), Parikh and Shibata (2004) and Duho *et al.* (2020). The beta-convergence utilizes a model to test whether countries with weak government effectiveness improve in performance than countries with strong government effectiveness. Also, sigma-convergence tests whether over time, and the dispersion of government effectiveness among countries diminishes. The following regression equations will be used to test for both beta-convergence and sigma-convergence, respectively.

$$GE_{i,t} - GE_{i,t-1} = \alpha + \beta GE_{i,t-1} + \gamma TREND_t + \varepsilon_{i,t} \tag{Eqn. 2}$$

$$M_{i,t} - M_{i,t-1} = \alpha + \beta M_{i,t-1} + \gamma TREND_t + \varepsilon_{i,t} \tag{Eqn. 3}$$

In this case, GE represents government effectiveness, and MGEt represents the mean of government effectiveness scores for a year, α represents the constant term, β represents the coefficient of interest which could either represent beta (β) or sigma (σ) respectively, γ represents the coefficient of the trend variable, TREND represents trend and ε represents the error term. In each model, when $\beta > 0$ there is an indication of divergence and when $\beta < 0$ there is an indication of convergence. Thus, we conclude that there is a divergence when β is

Variable	Source	Definition	Sign
Government Effectiveness (GE)	World Bank	This variable covers issues such as the quality of the provision of public services, the quality of bureaucracy, the competence of the civil servants, the independence of the civil from political pressures and the credibility of government to the commitment to policies.	
<i>Independent Variables</i>			
Corruption Perception Index (CPI)	Transparency International	It ranks on a scale from 100 (very clean) to 0 (highly corrupt). Corruption is conceptualized as misusing public power for private gain.	+
Press Freedom Index (PFI)	Reporters Without Borders	Lower scores depict greater freedom of the press while a higher score depicts less freedom of the press. It measures the level of freedom available to journalists in terms of pluralism, media independence, legislative framework quality, and safety of journalists. It, however, does not rank public policy.	-
Political Constraint Index (PCI)	The Wharton University of Pennsylvania, Henisz (2002)	It ranges from 0 (high level of political hazard) to 1 (low level of political hazard). It measures the degree of check and balance.	-
Size of Government (SIZE)	World Bank	It is government spending in Billion USD.	+
Voice and Accountability (VA)	World Bank	It ranges from -2.5 (weak) to 2.5 (strong). The extent of citizen's participation in selecting government, free media, freedom of expression and freedom of association.	-
Regulatory Quality (RQ)	World Bank	It ranges from -2.5 (weak) to 2.5 (strong). The ability of the government to formulate and implement policies and regulations that promote development in the private sector.	-
GDP per capita (GDPPC)	World Bank	Natural logarithm of GDP per capita adjusted for purchasing power parity (US\$)	+

Table 2.
Sources and definitions
of variables

negative and statistically significant. An additional analysis without the TREND has also been run vis-à-vis the equations above. The fixed effect has been used for the estimations.

Dependent variables

The study follows earlier studies (La Porta *et al.*, 1999; García-Sánchez *et al.*, 2016; García-Sánchez *et al.*, 2013) on proxy government effectiveness using the index developed by the World Bank (Kaufmann *et al.*, 1999). It is a perception-based index which assesses public service quality, civil service quality, independence from political pressures, how creditable government is committed to policies, as well as, the quality of policy and its implementation. The data used to develop the index is sourced from survey responses from firms, analysts, and agencies with knowledge of governance in countries, among others. In effect, the index measures the quality of countries' performances in the various areas on which the survey data is collected. The index ranges from -2.5 (less effective) to 2.5 (more effective). It has been argued that government effectiveness index provides a snapshot of the views of experts on the quality of governance in a nation. However, others contend that limitations have to be accounted for (Arndt, 2008; Andrews, 2010; Pollitt, 2011; García-Sánchez *et al.*, 2013). These limitations include the absence of an underlying theory of good governance, hidden biases, lack of transparency, actionability, and comparability over time (García-Sánchez *et al.*, 2013).

On the other hand, it has been argued by García-Sánchez *et al.* (2013) that notable organizations produce the index with highly influential staff who have many years of experience. It has also been argued that such criticisms are either not substantiated empirically or are conceptually incorrect. This is reiterated by Kaufmann *et al.* (2008). The index is useful for broad cross-country analysis and assessments over time. A notable caveat on the trend analysis is that it should be done over a long period and not for a year on year analysis, which may not provide relevant and reliable insights. As such, they indicate that it does not provide country-specific details that may be useful to form specific governance reforms in countries. A description of the indicators used to compute government effectiveness has been included as an [appendix](#).

Independent variables

The study hypothesizes a positive relationship between *corruption perception index* and government effectiveness, in line with the significant positive nexus evident in the study by Montes and Paschoal (2016). It is expected that democracy and freedom will enhance the effectiveness of governments (García-Sánchez *et al.*, 2016). In this backdrop, the study proposes a negative relationship between *press freedom index* and government effectiveness. Earlier studies such as García-Sánchez *et al.* (2016) and García-Sánchez *et al.* (2013) found a negative relationship between *political constraint index* and government effectiveness. This study, therefore, proposes a negative relationship. Various metrics have been used to measure the size of government. García-Sánchez *et al.* (2016) and García-Sánchez *et al.* (2013) used the population size density to proxy *government size* with positive and negative results, respectively. The current study utilizes government spending as a proxy for government size. Studies such as Anwar and Nguyen (2011) and Vaaler (2008) have used fiscal data to represent the size of government. In line with earlier studies such as Lee and Whitford (2009) and Brewer *et al.* (2007), the study envisages that government effectiveness will be positively affected by both *value and accountability*, as well as *regulatory quality*. Lee and Whitford (2009) observed that economic development has a positive effect on government effectiveness. However, García-Sánchez *et al.* (2016) found a negative relationship between GDP per capita and government effectiveness. In line with the argument by Lee and Whitford (2009) and García-Sánchez *et al.* (2013), this study proposes a positive relation.

Results and discussion

This section presents the discussion of results from the summary statistics, the checks for multicollinearity and the regression results.

Descriptive statistics

The results of the descriptive statistics are presented in [Table 3](#). The result indicates that overall, government effectiveness is -0.466 suggesting less efficiency for the countries. This was driven more by Africa (-0.747) and Asia (-0.150) out of an index range of -2.5 to 2.5. The result also indicated that the corruption perception index has an average of 34.2, while the press freedom index recorded an average of 40.2. The Asian score for the two indicators is higher than the African scores, which suggests that Asia is performing better in corruption control. In contrast, Africa performs better in terms of press freedom. The result also indicates that the average political constraint index is 0.225 while the size of government is 1.2. The result indicates that voice and accountability record an average of -0.696 with a better performance from African countries than Asian countries. Regulatory quality shows an average of -0.49 with a better performance from Asian countries as compared to Africa. On average, the natural logarithm of GDP per capita recorded 7.65 with a superior result from Asian countries as compared to African countries.

Test for Multicollinearity

The results of the pairwise correlation are presented in [Table 4](#). [Kennedy \(2008\)](#) argued that when correlation coefficients are above 0.7, there may be the possibility of the presence of multicollinearity. While this first rule of thumb is not sufficient to make an objective decision, [Wooldridge \(2016\)](#) argued that a variance inflation factor (VIF) of more than 10 is a crucial consideration to make. In effect, although a high correlation coefficient of 0.721 and 0.821 are obtained, the VIF test is conducted on the pooled data to make an informed judgment. The result indicates that the highest VIF score is 4.05, which is below the threshold of 10. In effect, this study uses all the explanatory variables in the regression model.

Convergence of government effectiveness

The results of both the beta-convergence and the sigma-convergence analysis are presented in [Table 5](#). In terms of beta-convergence, the result indicates that both African and Asian countries show evidence of a 'catch-up effect' in their performance regarding government effectiveness. The result, as portrayed by the coefficients, shows that the extent of convergence in Africa is greater than that of Asian countries. This result explains the fact that both African and Asian countries imitate their peers and other countries in improving their performances in terms of public service quality, civil service quality, independence from political pressures, government's commitment to policies, and the quality of policy and its implementation. Thus, countries with weak government effectiveness imitate the more effective counterparts through a 'catch-up effect' or that countries with highly effective governments stagnate ([Hall, 2016](#)). In terms of whether sigma-convergence exists among these countries, the results indicate that sigma-convergence exists among Africa and Asian countries.

In a similar fashion, African countries converge faster than Asian countries over time. In effect, the dispersion between the government effectiveness scores of African and Asian countries diminishes over time. [Savoia and Sen \(2016\)](#) found evidence of catch-up effect among poor and rich countries in terms of bureaucratic, legal and administrative institutional quality. This result indicates that African and Asian countries can adopt best practices in governance from their peers to enhance their effectiveness. Transnational institutions like the

Variable	Obs	Mean	Std.Dev.	Min	Max
<i>Pooled</i>					
GE	1599	-0.466	0.813	-2.450	2.440
CPI	1439	34.158	15.028	8.000	94.000
PFI	1569	40.16	22.484	-6.000	142.000
PCI	1476	0.225	0.209	0.000	0.726
LGSIZE	1515	1.200	1.984	-3.507	7.475
VA	1600	-0.695	0.774	-2.310	1.120
RQ	1600	-0.490	0.817	-2.650	2.260
LGDPPC	1667	7.649	1.424	4.718	11.351
<i>Africa</i>					
GE	847	-0.747	0.622	-2.450	1.050
CPI	756	31.090	10.910	8.000	66.000
PFI	836	34.042	18.685	-6.000	142.000
PCI	795	0.245	0.202	0.000	0.726
LGSIZE	802	0.363	1.560	-3.507	4.415
VA	848	-0.642	0.741	-2.230	0.990
RQ	848	-0.705	0.628	-2.650	1.130
LGDPPC	883	7.091	1.100	4.718	10.041
<i>Asia</i>					
GE	752	-0.150	0.885	-2.080	2.440
CPI	683	37.555	17.957	8.000	94.000
PFI	733	47.138	24.353	-3.000	141.000
PCI	681	0.201	0.214	0.000	0.669
LGSIZE	713	2.143	1.988	-2.207	7.475
VA	752	-0.755	0.806	-2.310	1.120
RQ	752	-0.248	0.930	-2.530	2.260
LGDPPC	784	8.277	1.486	4.956	11.351

Notes: GE is government effectiveness; CPI is corruption perception index; PFI is press freedom index; PCI is political constraint index; LSIZE is the size of government; VA is voice and accountability; RQ is regulatory quality; LGDPPC is GDP per capita.

Source: Authors' computations using STATA14

Table 3.
Descriptive statistics for the Pooled, African and Asian samples

Variables	VIF	(1)	(2)	(3)	(4)	(5)	(6)	(7)
(1) CPI	3.81	1.000						
(2) PFI	2.31	-0.341***	1.000					
(3) PCI	1.61	0.086***	-0.378***	1.000				
(4) LGSIZE	1.61	0.337***	0.130***	0.141***	1.000			
(5) VA	3.85	0.545***	-0.721***	0.552***	0.158***	1.000		
(6) RQ	4.05	0.821***	-0.441***	0.224***	0.415***	0.640***	1.000	
(7) LGDPPC	2.45	0.668***	-0.035**	-0.057	0.538***	0.216***	0.623***	1.000

Notes: GE is government effectiveness; CPI is corruption perception index; PFI is press freedom index; PCI is political constraint index; LSIZE is the size of government; VA is voice and accountability; RQ is regulatory quality; LGDPPC is GDP per capita; VIF is variance inflation factor; *, **, *** is 10, 5 and 1 percent significant levels respectively.

Source: Authors' computations using STATA14

Table 4.
Pairwise correlation test

World Bank, International Monetary Fund, United Nations, the African Development Bank and Asian Development Bank play essential roles in the convergence of government effectiveness. [Bennett \(1991\)](#) argues that there are fourfold ways to achieve convergence.

Table 5.
The convergence of
government
effectiveness in Africa
and Asia

	Pooled			African		Asian	
	(1) ΔGE	(2) ΔGE	(3) ΔGE	(4) ΔGE	(5) ΔGE	(6) ΔGE	
<i>Beta-convergence</i>							
L.GE	-0.261*** (0.017)	-0.261*** (0.017)	-0.291*** (0.022)	-0.296*** (0.023)	-0.233*** (0.025)	-0.251*** (0.026)	
YEAR		0.001 (0.001)		-0.001 (0.001)		0.003** (0.001)	
Cons	-0.123*** (0.008)	-2.342* (1.397)	-0.226*** (0.017)	1.483 (1.803)	-0.027*** (0.006)	-5.769** (2.283)	
Countries	100	100	53	53	47	47	
Obs.	1499	1499	794	794	705	705	
R-squared	0.146	0.148	0.184	0.185	0.116	0.125	
F-stats	239.33*** Δ.M	121.06*** Δ.M	167.08*** Δ.M	83.98*** Δ.M	86.38*** Δ.M	46.70*** Δ.M	
<i>Sigma-convergence</i>							
L.M	-0.256*** (0.017)	-0.256*** (0.017)	-0.290*** (0.023)	-0.290*** (0.023)	-0.238*** (0.025)	-0.238*** (0.025)	
YEAR		-0.000 (0.001)		-0.000 (0.001)		0.000 (0.001)	
cons	0.000 (0.003)	0.175 (1.376)	0.001 (0.004)	0.188 (1.732)	-0.000 (0.005)	-0.000 (2.128)	
Countries	100	100	53	53	47	47	
Obs.	1499	1499	794	794	705	705	
R-squared	0.144	0.144	0.179	0.179	0.118	0.118	
F-stats	234.61***	117.23***	160.94***	80.37***	88.25***	44.06***	
Notes: Estimates are computed using fixed effects regression; *, **, *** is 10, 5 and 1 percent significant levels respectively.							
Source: Authors' computations using STATA14							

Convergence occurs when policies are emulated from other countries or through elite networking through transnational communities. Also, convergence may occur through the harmonization of international regimes or the penetration by external actors and interests. Such initiatives should be holistic to ensure that the desired result of public service quality is achieved.

Determinants of government effectiveness

The results of the regression analysis are presented in [Table 6](#) for the pooled data in both the African and Asian contexts. The model is appropriate since the explanatory variables explain more than 77 percent of the variabilities in government effectiveness. Besides, the model is statistically significant, as indicated by the Wald chi-square tests. The data has shown the presence of both heteroskedasticity and serial correlation, which has been corrected by the use of the panel-corrected standard error regression of [Beck and Katz \(1995\)](#).

The results indicate that the corruption perception index positively affects governmental effectiveness of countries at a statistically significant level of 1 percent. The impact is significant in both the African and Asian contexts, although there is evidence to suggest that the magnitude for Asia is higher, as shown by the regression coefficient. This result gives credence to the fact that for countries in Africa and Asia where development is obstructed by corruption, the fight against corruption has an enormous impact in increasing the ability of the public sector, civic society and policies to be executed to achieve overarching missions ([Nicolaidis and Duho, 2019](#)). This finding is in line with the results of [Montes and Paschoal \(2016\)](#) that a reduction in the perception of corruption improves government effectiveness. This suggests that governments have to be committed in the fight against corruption to improve the quality of their public service. The press freedom index also positively affects government effectiveness at a 1 percent level of significance.

In terms of Africa, the result is significant at a 10 percent level of significance, while the Asian result is insignificant. This presents the importance that is placed on democratic governance and press freedom. The insignificance of press freedom in enhancing government effectiveness is because of the cyber-harassment, intimidation, censorship, totalitarian propaganda and physical violence that is linked to the work of the media in some Asian countries ([RSF, 2020](#)). The result of the study is in disagreement with the findings of [García-Sánchez et al. \(2016\)](#) in terms of developed economies but are in concord with their findings on developing economies. It flows from this result that while effectiveness can be achieved through granting freedom to the press in developed economies, Asian countries and especially African ones are not able to actualize the benefits. This could be explained by the fact that some of these countries use governmental actions to influence the media landscape, silence the media ([Snyder and Strömberg, 2010](#)). Also, the citizens have limited information, and politicians are less accountable, laws are not adequate to enforce media freedom, and decision-making processes are complicated. Although press freedom is necessary, current results indicate that it is not sufficient to enhance government effectiveness.

The result also indicates that the political constraint index of countries negatively affects government effectiveness at a significant level of 1 percent. This suggests that countries with high political hazards have high government effectiveness. In effect, the ability of a country to put in place legal and regulatory checks and balances against political hazards to survive is necessary but not sufficient in enhancing effectiveness. The Africa-specific result is insignificant, while the Asia-specific result is significant at 5 percent level of significance. This result is similar to the result of [García-Sánchez et al. \(2016\)](#). The size of government has a positive and significant influence on government effectiveness at a 1 percent level of significance. The coefficient for the Asian context is higher than that of the African context. This suggests that the large-sized government increases the quality of civil service and the

	(1) Pooled	(2) Africa	(3) Asia
CPI	0.017*** (0.001)	0.015*** (0.002)	0.019*** (0.002)
PFI	0.001*** (0.000)	0.001* (0.001)	0.001 (0.001)
PCI	-0.127*** (0.046)	-0.068 (0.063)	-0.170** (0.068)
LGSIZE	0.056*** (0.007)	0.038*** (0.010)	0.048*** (0.010)
VA	0.102*** (0.022)	0.133*** (0.034)	0.110*** (0.031)
RQ	0.490*** (0.026)	0.508*** (0.037)	0.420*** (0.039)
LGDPPC	0.046*** (0.012)	0.042*** (0.016)	0.030 (0.018)
_cons	-1.153*** (0.089)	-1.111*** (0.115)	-0.981*** (0.138)
Countries	95	52	43
Obs.	1056	550	506
R-squared	0.831	0.771	0.849
Wald χ^2	5009.44***	1405.09***	2888.57***
Hetttest	8.89***	3.56*	5.21**
AR(1)	123.55***	45.72***	55.56***

Table 6.
Determinants of
government
effectiveness in Africa
and Asia

Notes: GE is government effectiveness; CPI is corruption perception index; PFI is press freedom index; PCI is political constraint index; LSIZE is the size of government; VA is voice and accountability; RQ is regulatory quality; LGDPPC is GDP per capita; Hetttest is heteroskedasticity test; AR(1) is serial correlation test; *, **, *** is 10, 5 and 1 percent significant levels respectively.
Source: Authors' computations using STATA14

performance of the civil servants. The result is in concord with the findings of studies such as [García-Sánchez et al. \(2016\)](#) and [Norris and Moon \(2005\)](#) that public sector managerial or technical innovation is influenced by size. This is evident as many of the African and Asian countries are yet to obtain the benefits of using more efficient technology, and performance-enhancing best practices to improve the ability to achieve their missions.

The result of the impact of voice and accountability indicator on government effectiveness is positive and significant at 1 percent level of significance. The coefficient is higher for African countries. With the expansion of citizen participation in selecting government, enhancement of media freedom, and enforcement of freedom of expression and association, the quality of the provision of public services, the quality and competence of the bureaucracy, and the credibility of government's commitment to policies will improve. The independence of the civil from political pressures will also be ensured. Similarly, regulatory quality positively and significantly affects government effectiveness at 1 percent level of significance. This suggests that the ability of the government to formulate and implement policies and regulations that promote development in the private sector is necessary and sufficient in improving government effectiveness. The results on the findings on voice and accountability or regulatory quality are similar to the results of [Lee and Whitford \(2009\)](#) and [Brewer et al. \(2007\)](#). The GDP per capita growth of countries positively affects government effectiveness at a 1 percent level of significance. This result is tenable in the case of the pooled data and the African situation, but the Asian context shows an insignificant result. This means that in Africa, economic wealth spurs government effectiveness. This is also similar to the findings of [Garcia-Sanchez et al. \(2013\)](#), which argues that countries with high demands from the citizenry regard government effectiveness as an essential factor.

Conclusion

Current developments in Africa and Asia point to the changes in governance systems and public management. Policy discussions and scholarly writings on government effectiveness tend to be focused on the developed economies and the Western world. Earlier academic studies explored the determinants of government effectiveness using archaic datasets and few explanatory variables. The existing literature has not also explored the possibility of convergence of government effectiveness among countries. The current study fills the dearth in research by examining the determinants of government effectiveness and the convergence of government effectiveness. The study adopts data covering 100 countries in Africa and Asia from 2002 to 2018, as well as panel-corrected standard error regression to account for heteroskedasticity and serial correlation. The result indicates that among all variables, Asia performs better than Africa except for press freedom, and voice and accountability. There is evidence to suggest that both beta-convergence and sigma-convergence occurs in African and Asian countries in terms of government effectiveness. Convergence could be driven by emulation of policies, elite networking, harmonization and penetration by external actors and interests. In effect, countries with weak government effectiveness can 'catch-up' with more active counterparts by adopting various managerial or technical innovations from them.

The results indicate that the corruption perception index positively affects governmental effectiveness of countries at a statistically significant level of 1 percent. This gives credence to the fact that for countries in Africa and Asia where development is obstructed by corruption, the fight against corruption has an enormous impact in increasing the ability of the public sector, civic society and policies to be executed to achieve overarching missions. The press freedom index also positively affects government effectiveness at 1 percent level of significance. The result of the study is in disagreement with the findings of [García-Sánchez *et al.* \(2016\)](#) in terms of developed economies but is in concord with their findings on developing economies. It flows from this result that while effectiveness can be achieved through granting freedom to the press in developed economies, Asian countries and especially African countries, are not able to actualize the benefits. Governmental actions to influence the media landscape, silence the media ([Snyder and Strömberg, 2010](#)), citizens have limited information, and politicians are less accountable, laws are not adequate to enforce media freedom, and decision-making processes are complicated. Although press freedom is necessary, it is not sufficient to enhance government effectiveness. Political constraint index of countries negatively affects government effectiveness at a significant level of 1 percent, suggesting that the ability of a country to put in place legal and regulatory checks and balances against political hazard to survive is necessary but not sufficient in enhancing effectiveness. This result is similar to the result of [García-Sánchez *et al.* \(2016\)](#).

Large-sized government increases the quality of civil service and the performance of the civil servants. This is evident as many of the African and Asian countries are yet to obtain the benefits of using technology, and performance-enhancing best practices to improve the ability to achieve their missions. In terms of regulatory quality, the strength of the government to formulate and implement policies and regulations that promote development in the private sector is necessary in improving government effectiveness. The GDP per capita growth of countries positively affects government effectiveness at 1 percent level of significance, which means that in Africa, economic wealth spurs government effectiveness. These results are relevant for policymakers across the development space, public sector practitioners and the academic community.

The study provides a cross-country guide for improving government effectiveness in Africa and Asia. The findings offer pointers to policymakers, public sector practitioners, and academics about ways to improve the quality of public service. However, further studies in this area in exploring effectiveness in country-specific scenarios are needed. Also, a relevant field that needs inclusion in the agenda for future research relates to the effectiveness of the public

sector in responding to health crises. Such health emergency preparedness studies could utilize simulations and stress testing results to make relevant inferences for policy and practice.

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Appendix. Government effectiveness: concepts measured

Code

Representative Sources

- EIU (a) Quality of bureaucracy / institutional effectiveness; (b) Excessive bureaucracy / red tape
- GCS (a) Quality of overall infrastructure; (b) Quality of primary education
- GWP (a) Satisfaction with public transportation system; (b) Satisfaction with roads and highways; (c) Satisfaction with education system
- IPD (a) Coverage area: public school; (b) Coverage area: basic health services; (c) Coverage area: drinking water and sanitation; (d) Coverage area: electricity grid; (e) Coverage area: transport infrastructure; (f) Coverage area: maintenance and waste disposal
- PRS Bureaucratic quality
- WMO (a) Infrastructure disruption. This reflects the likelihood of disruption to and/or inadequacy of infrastructure for transport, including due to terrorism/insurgency, strikes, politically motivated shutdowns, natural disasters; infrastructure includes (as relevant) roads, railways, airports, ports, and customs checkpoints.; (b) State failure. The risk the state is unable to exclusively ensure law and order, and the supply of basic goods such as food, water, infrastructure, and energy, or is unable to respond to or manage current or likely future emergencies, including natural disasters and financial or economic crises.; (c) Policy instability. The risk the government's broad policy framework shifts over the next year, making the business environment more challenging. This might include more onerous employment or environmental regulation; local content requirements; import/export barriers, tariffs, or quotas; other protectionist measures; price controls or caps; more "political" control of monetary policy, or simply more direct intervention into the operations and decisions of private companies etc.

Non-representative Sources

- ADB (a) Quality of public administration; (b) Quality of budgetary and financial management; (c) Efficiency of revenue mobilization

- AFR (a) Handling improving basic health services; (b) Handling addressing educational needs
- ASD (a) Quality public administration; (b) Efficiency of revenue mobilization; (c) Quality of budgetary & financial management
- BPS (a) How problematic is electricity for the growth of your business? (b) How problematic is transportation for the growth of your business?
- BTI (a) Consensus building (MI); (b) Steering capability (MI); (c) Resource efficiency
- GII (a) Civil service integrity; (b) Public management; (c) Business environment & infrastructure; (d) Welfare; (e) Health and education
- IFD Allocation & management of public resources for rural development
- LBO Trust in government
- PIA (a) Quality of public administration; (b) Quality of budgetary and financial management; (c) Efficiency of revenue mobilization
- WCY (a) Adaptability of government policy to changes in the economy is high; (b) Bureaucracy does not hinder business activity; (c) The distribution infrastructure of goods and services is generally efficient

Sources: Kaufmann *et al.* (2009); WGI (2020a)

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