CHANDLER
GOOD GOVERNMENT
INDEX 2022

EXECUTIVE SUMMARY

CHANDLER
INSTITUTE OF GOVERNANCE

The Chandler Good Government Index (CGGI) 2022
is the second edition of an annual series, measuring the effectiveness of
governments in 104 countries globally. It is the world's most comprehensive
index of governance capabilities and outcomes.

The Index is a practical tool for all governments to understand and benchmark
their capabilities and performance, and to have honest conversations
about opportunities for progress. It takes a practical and non-partisan view
of governance. By focusing on state capabilities and performance,
the Index does not prioritise any form of government over another.

The CGGI is designed to be relevant and accessible to countries
at different stages in their national development journeys.

The Origins of the Index

The CGGI is based on our strong belief that good national governance and national prosperity are deeply connected.

This relationship is characterised by three principles:

1. Government capabilities matter, and governments need to invest time and effort into enhancing skills, systems, processes and institutions
2. Effective governments create opportunities for people and businesses to thrive, forming the foundation of national development and prosperity
3. Good governance leads to better outcomes and increased public trust; high levels of public trust make it easier for governments to do their work

It is therefore essential that governments have the means to measure the quality of governance in their nation. Only then can they determine where to enhance capabilities and how to build good outcomes for national development and prosperity.

Winning the Governance Competition

The Governance Competition is the most important competition in the world today.

Talent and financial resources flow towards well-governed, stable and secure nations. Conversely, conflict zones and highly corrupt countries experience net outflows of highly skilled workers and foreign direct investment, and higher costs of capital.

More than ever, good governance is the deciding factor in whether nations succeed. The COVID-19 pandemic, Russia-Ukraine conflict and the growing threat of climate change have revealed strengths and weaknesses in public institutions, laws, and leadership around the world.

To meet these challenges, governments need the best capabilities available to deliver for their citizens and businesses. Only then can they establish the trust required to make the bold—even controversial—decisions that will create sustained opportunities and prosperity.

The Top 20 Countries

Canada **13**

Iceland **19**

Ireland **11**

United Kingdom **10**

Netherlands **5**

Denmark **4**

United States **18**

France **16**

Switzerland **2**

6 Norway

7 Sweden

1 Finland

14 Estonia

15 Japan

19 South Korea

Singapore 3

8 Germany

12 Austria

Australia 17

New Zealand 9

5

Constructing the Index

There are several well-designed dashboards and indices of national governance. What the CGGI offers is a comprehensive and new way of framing, measuring and addressing the important work of government.

The Index is especially oriented to government practitioners. It is an index developed by government practitioners, for government practitioners. Designed as a practical tool, it helps governments identify strengths and weaknesses, and provides examples of impactful policy and effective delivery. It is a learning tool to encourage policy and programme discussion and development.

The CGGI has been more than two years in the making. Its conceptual framework and methodology were first developed with inputs from people working in government. We then consulted with a wide variety of leaders, experts and researchers in governance from around the world. This broad collaboration allowed a comprehensive range of views to be captured and synthesised at various stages of review. Part of this process was in consultation with the distinguished members of the CGGI Advisory Panel:

Dr Reuben Abraham
CEO of Artha Global

Ms Elizabeth Anderson
Executive Director of the World Justice Project

Dr Christian Bason
CEO of the Danish Design Centre

Ms Nathalie Delapalme
Executive Director of the Mo Ibrahim Foundation

Mr Adrian Brown
Executive Director of the Centre for Public Impact

Dr Ed Olowo-Okere
Director of the Governance Global Practice at the World Bank

Dr Manuel Gerardo Flores Romero
Coordinator of the Regulatory Policy Programme in Latin America of the OECD

Prof Kent Weaver
Professor of Public Policy and Government at Georgetown University

Methodology

Overview of Methodology

The Chandler Good Government Index is a composite Index that measures the capability and effectiveness of governments. Our framework and dimensions (pillars) of good governance are derived from interviews and research on what capabilities and characteristics are most important for a government to perform its duties and succeed.

The Index is designed as a practical tool that government institutions, leaders, and officers can use to support organisational learning and capability development. The Index also contributes to the rich global conversation on the meaning of good government and the importance of governance.

The graphic below depicts the Index's framework, which is made up of seven pillars and 35 indicators. The 35 indicators are made up of more than 50 metrics—of which 31 metrics are qualitative data sources (i.e. perception surveys, expert assessments, etc.).

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PILLARS

Leadership & Foresight	Robust Laws & Policies	Strong Institutions	Financial Stewardship	Attractive Marketplace	Global Influence & Reputation	Helping People Rise
Anti-Corruption	Rule of Law	Coordination	Government Debt	Property Rights	International Trade	Education
Long-Term Vision	Quality of Judiciary	Data Capability	Country Budget Surplus	Macroeconomic Environment	International Diplomacy	Health
Adaptability	Transparency	Implementation	Spending Efficiency	Attracting Investments	Nation Brand	Satisfaction with Public Services
Strategic Prioritisation	Regulatory Governance	Quality of Bureaucracy	Country Risk Premium	Logistics Competence	Passport Strength	Personal Safety
Innovation				Stable Business Regulations		Environmental Performance
						Income Equality
						Social Mobility
						Gender Gap
Ethical Leadership*				Tax Efficiency*		Non-Discrimination

*Indicators in blue are not included in this edition of the Index due to data issues, and will be considered for future editions.

CGGI Data Process

The Chandler Good Government Index is a composite Index that measures the capability and effectiveness of governments. Our framework and dimensions (pillars) of good governance are derived from interviews and research on what capabilities and characteristics are most important for a government to perform its duties and succeed.

The 35 indicators are made up of more than 50 metrics—of which 31 metrics are qualitative data sources.

METRICS ❶

The Index uses the most relevant metrics for each indicator, as determined by government and data experts, research on the pillars, and a set of selection criteria:

The metric must be distributed in a free-to-access form in the public domain and online. This supports replicability and widespread use.

The metric should as far as possible be actionable and measure some quality or capability of governance that government leaders and officers can act on to improve performance.

There must be a robust way to convert the data into a clear and relevant numerical format.

The metric must provide data points for a large enough range of countries.

❷ IMPUTATION

Missing data from the metrics is imputed via several methods:

1. Looking for another indicator or study that measures a similar concept or theme.
2. Finding the average values of peer countries after filtering for geography and income.

This is a common step in many major global indices.

TRANSFORMATION & NORMALISATION ❸

0 METRICS 1
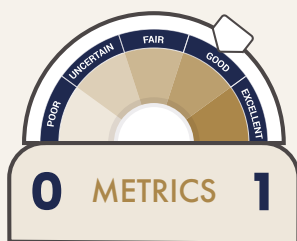
Each metric is normalised to a 0-1 scale to create a standardised scale for comparison and aggregation. Indicators that comprise more than one metric are weighted equally, aggregated and rescaled again.
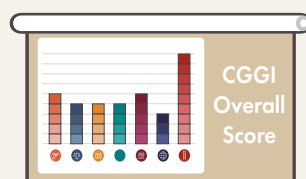
❹ DATA AGGREGATION & RANKING

CGGI Overall Score

The final score of the Index is aggregated using a simple average of all 35 indicators. This means that each indicator in the Index has an equal weighting. Finally, countries are ranked.

Index Insights

Strong links emerged in this year's data between the CGGI's rankings and COVID-19 outcomes, social mobility, and more.

The inaugural issue of the CGGI, published last year in the middle of the COVID-19 pandemic, was built on data that predated the pandemic. This year's CGGI includes data that was captured from 104 countries during the pandemic, which means that comparing the two Indices offers a data-driven snapshot of how the pandemic has affected governments' capabilities and outcomes.

Such a range of data—the CGGI covers 104 countries, or roughly 90% of the world's population—allows us to explore a variety of questions: How has COVID-19 affected certain government capabilities? Did countries with higher CGGI scores have better COVID-19 outcomes? What might this year's results tell us about the nature of good governance more broadly? Here's what we found.

Overall Country Rankings Were Relatively Stable—Despite a Volatile Year

Roughly one-third of countries in the CGGI (33) maintained the same overall ranking, including the top overall country (Finland) and the lowest-ranking (Venezuela). The biggest climbers were Mongolia and Ukraine, which each improved their overall ranking by eight places. The largest declines in the overall rankings occurred in Bosnia, Peru, and Zambia, which fell five spots from their 2021 rankings.

The relative stability of the overall rankings can be attributed partly to the CGGI's focus on capabilities, rather than outcomes. When we refer to capabilities, we mean systems, institutions, processes, skills—elements that take years to build and develop, and which are more likely to gradually erode than abruptly collapse. This focus is by design: capabilities represent enduring foundations for excellence in governance; they are stable and lasting investments in the present and future. We do not expect to see country rankings soar and dip each year.

Good Governments are Better Prepared for Pandemics

$r = 0.87$
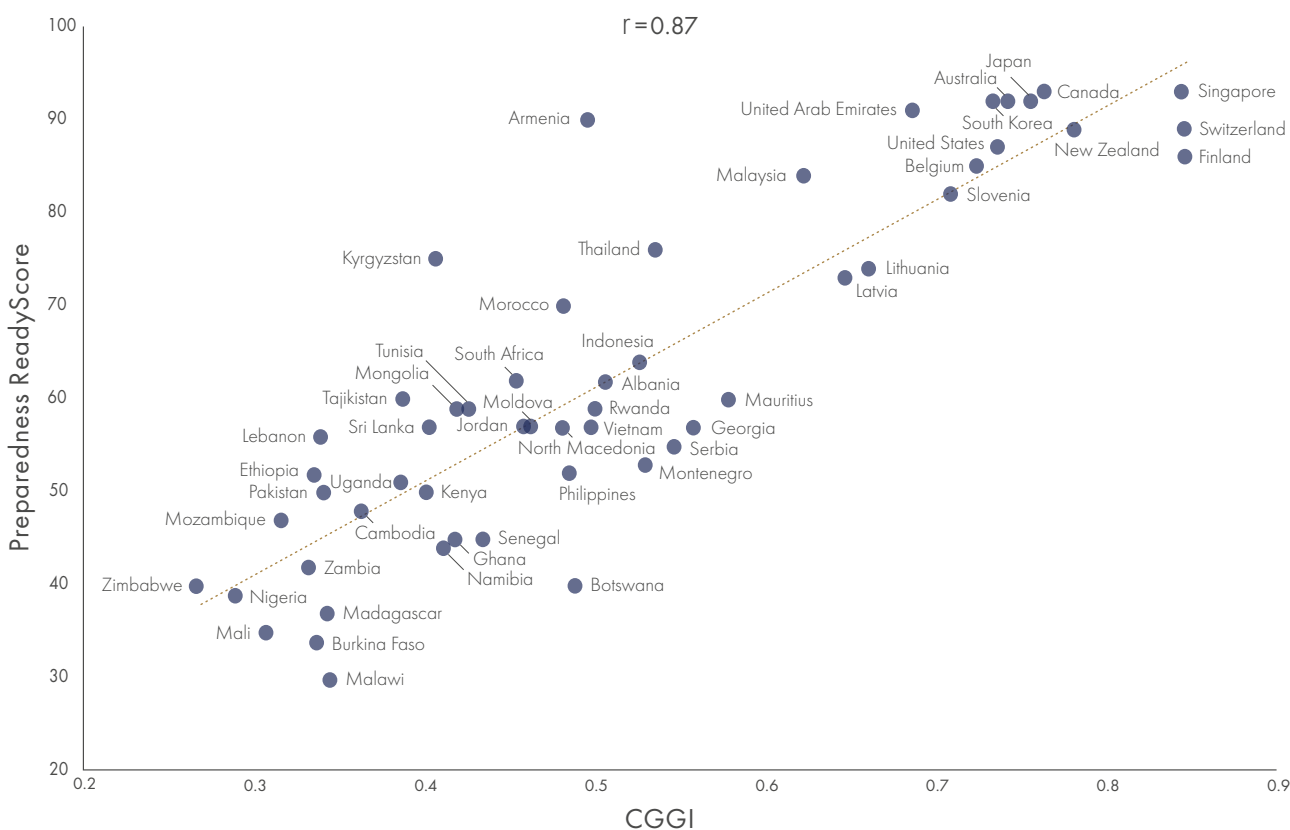
Sources: CGGI 2022; Prepardness ReadyScore, Prevent Epidemics.

Good Governments Have Better Health Security

r = 0.83
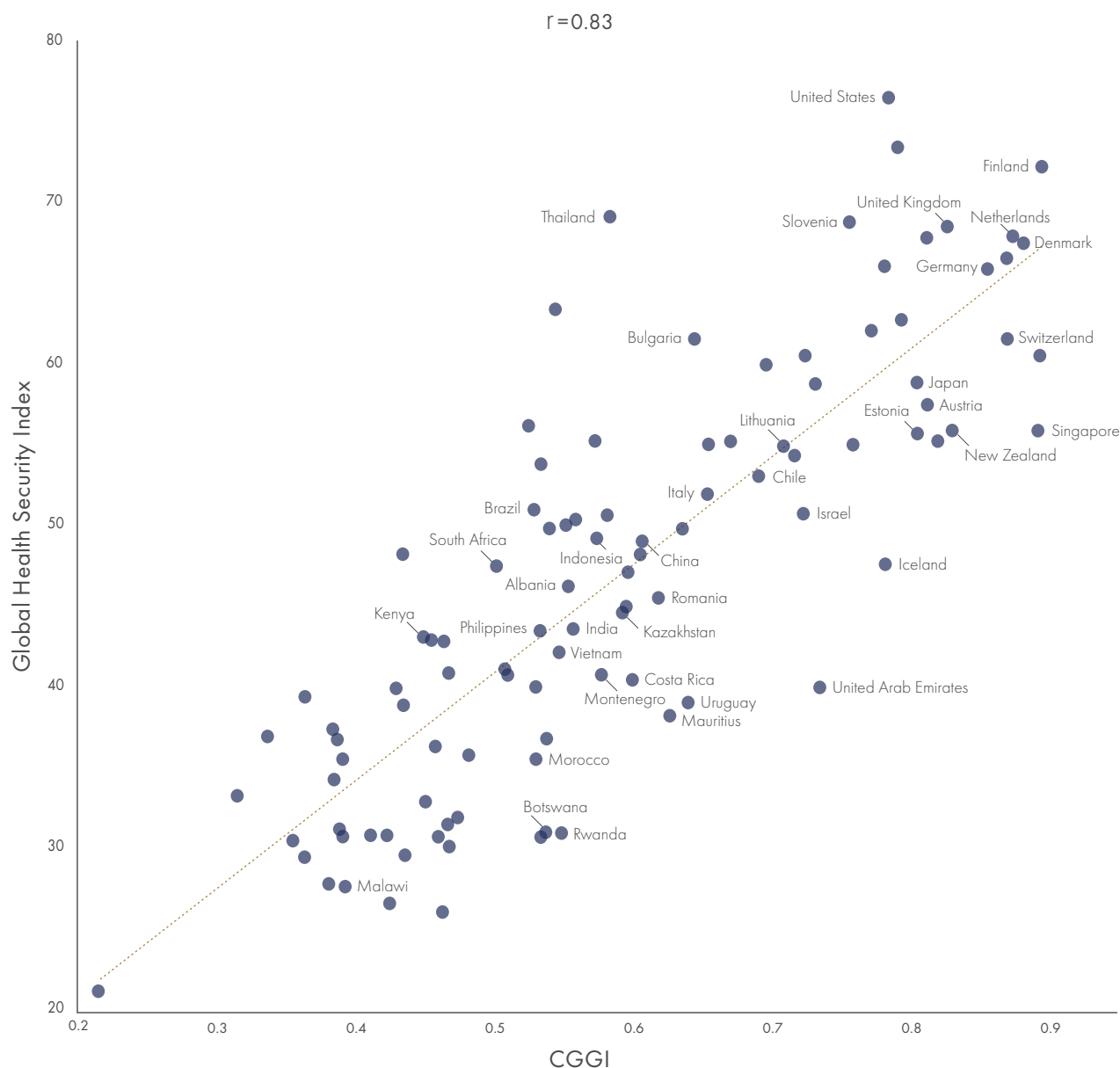
Sources: CGGI 2022; Global Health Security Index, 2021, Nuclear Threat Initiative and John Hopkins Center for Health Security.

Good Governance and COVID-19

1 *Good governance explains the difference in pandemic preparedness between countries better than GDP per capita*

According to the CGGI's rankings, a country's governance quality is a better predictor of whether it is prepared for pandemics than its income level. In other words, a well-governed country is more likely to be prepared for a pandemic than one which is simply wealthy.

A strong relationship emerged when we compared countries' CGGI scores with their Prevent Epidemics ReadyScore, an assessment developed by Vital Strategies, a global public health organisation.

A similarly strong relationship was indicated when we compared countries' overall CGGI scores with their rankings on the Global Health Security Index, an assessment developed by the Johns Hopkins Center for Health Security, the Nuclear Threat Initiative, and the Economist Intelligence Unit.

Good Governments Tend to Have Better COVID-19 Outcomes

r = -0.63
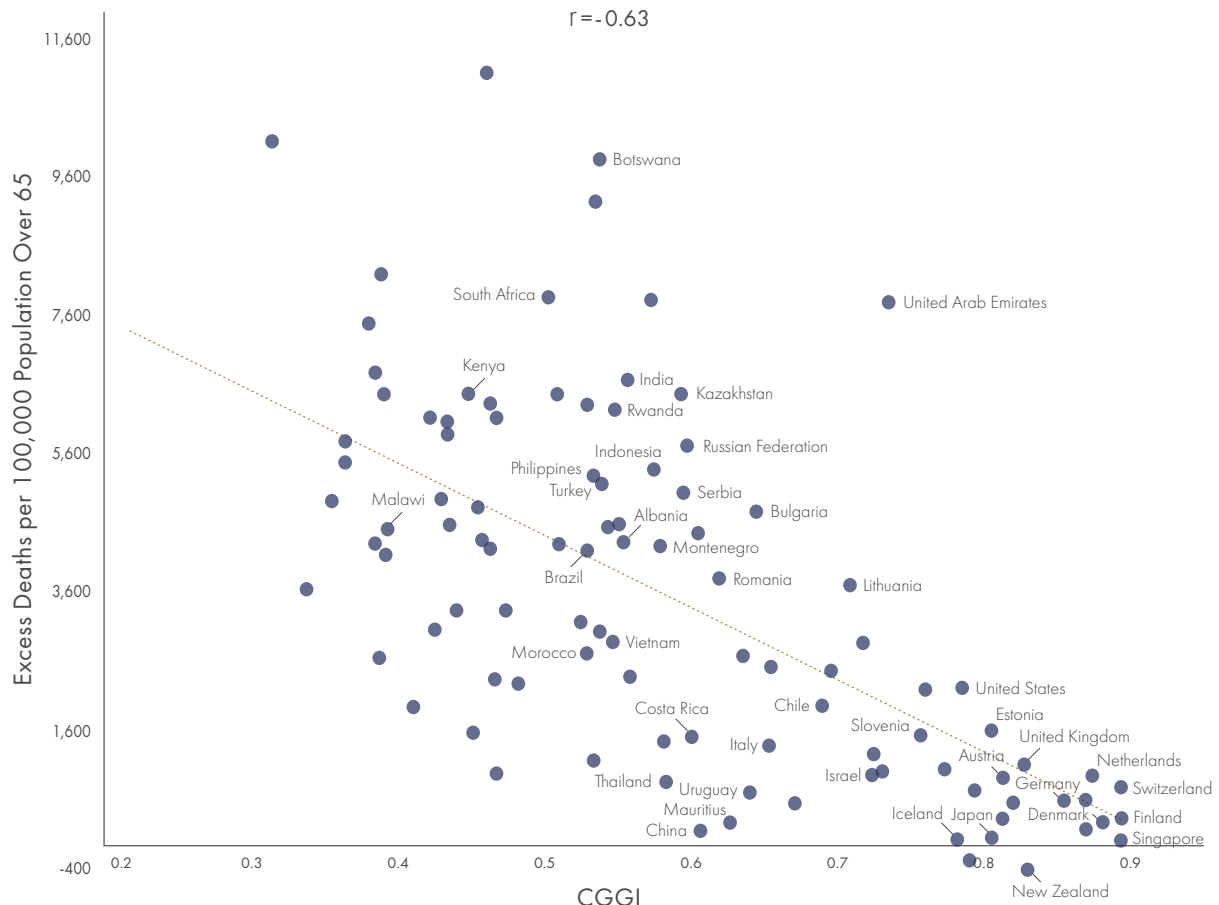
Sources: CGGI 2022; Excess Deaths per 100,000 population over 65, The Economist.

Such findings, while telling, might also be expected. Both the Global Health Security Index and the Prevent Epidemics ReadyScore assessments focus on preparedness, a kind of capability or capacity—just as the CGGI itself focuses on government capabilities.

As we shared in last year's report and find once more in this year's Index, there is a strong link between a government's capabilities and the outcomes it produces. However, when it comes to COVID-19, the data below shows that the story is a little more complicated.

2 *There is a moderate relationship between good governance and COVID-19 outcomes*

When we compared a country's overall CGGI score with the number of excess deaths per 100,000 people over 65 years old, a reasonably strong relationship appeared: **well-governed countries had fewer excess deaths from COVID-19 than poorly governed countries.**

Why did we choose excess deaths, rather than the official reported deaths—or why didn't we choose another COVID-19 outcome altogether? For a number of reasons, excess deaths are seen as a more accurate measure of a country's COVID-19 response than its official reported deaths. Countries have different definitions of what constitutes an "official" COVID-related death. There is an important distinction, for instance, between someone dying from COVID-19 and someone dying with COVID-19. Excess deaths can also help account for demographic discrepancies between countries.

Among COVID-related outcomes, excess deaths are particularly robust and representative. Reported COVID-19 infection rates, for instance, depend heavily upon a country's testing ability. Theoretically, a country that made testing readily available and accurately collected data would perform worse by that metric than a country that made no testing available or did not accurately collect the data. Overall assessment scores of a country's pandemic response are often built on such data—not to mention that the nature of a "successful" response has changed as the virus has mutated and vaccines have become more available.

Good Governments Have the Capability to Perform More Tests

r = 0.76
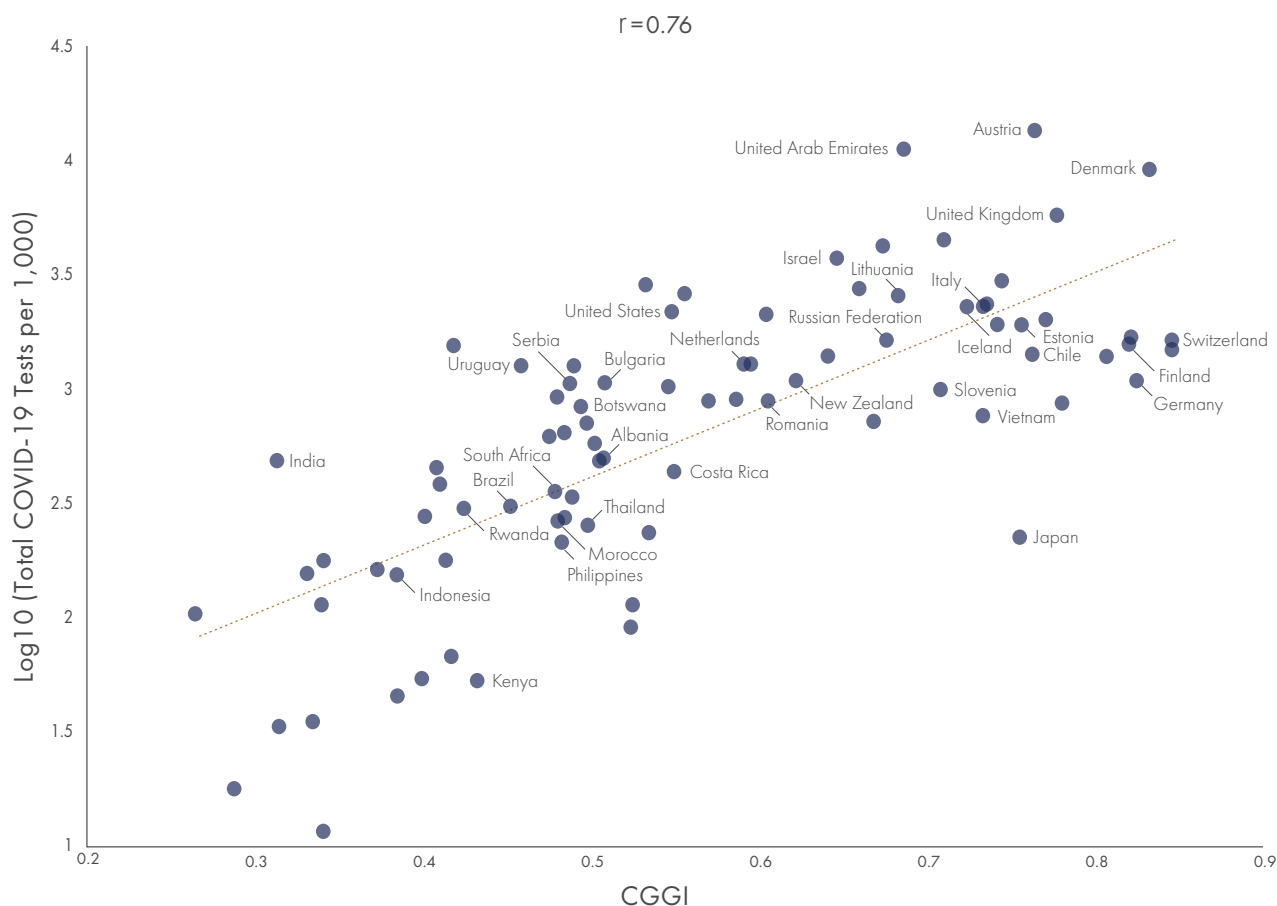
Sources: CGGI 2022; Total COVID-19 Tests per 1,000 People, Our World in Data.

As the chart shows, the relationship between good governance and COVID-19 outcomes is not as strong as the link between good governance and pandemic preparedness. This raises interesting questions not unique to COVID-19: why, and how, do capabilities translate—or fail to translate—into outcomes?

In this particular instance, part of the answer *is* unique to COVID-19. A successful pandemic response is complex and multi-faceted. It involves several factors: access and attitudes toward vaccinations, trust in government and public health bodies, leadership styles, and obesity rates, among many others. Not all of those are within a government's control but can powerfully reinforce—or undercut—the effectiveness of a government's response.

Another outcome that we analysed was COVID-19 testing per 1,000 people. Again, we found a fairly strong relationship with a government's CGGI score:

good governments conducted more COVID-19 tests. Given the CGGI's focus on capabilities, this suggests that well-governed countries have a higher institutional capability to manage, run, and coordinate tests.

What Do This Year's Findings Reveal About the Nature of Good Governance?

Three Capabilities Are Most Closely Correlated with Good Governance

The CGGI is built on 35 indicators drawn from more than 50 publicly available data sources. Of those 35 indicators, 26 focus on capabilities.

When we looked at the data this year, we found three capabilities in particular that were most closely correlated with a country's overall CGGI score:

1. Rule of law
2. Property rights
3. Anti-corruption

Good Governments Have Higher Social Mobility

r = 0.91
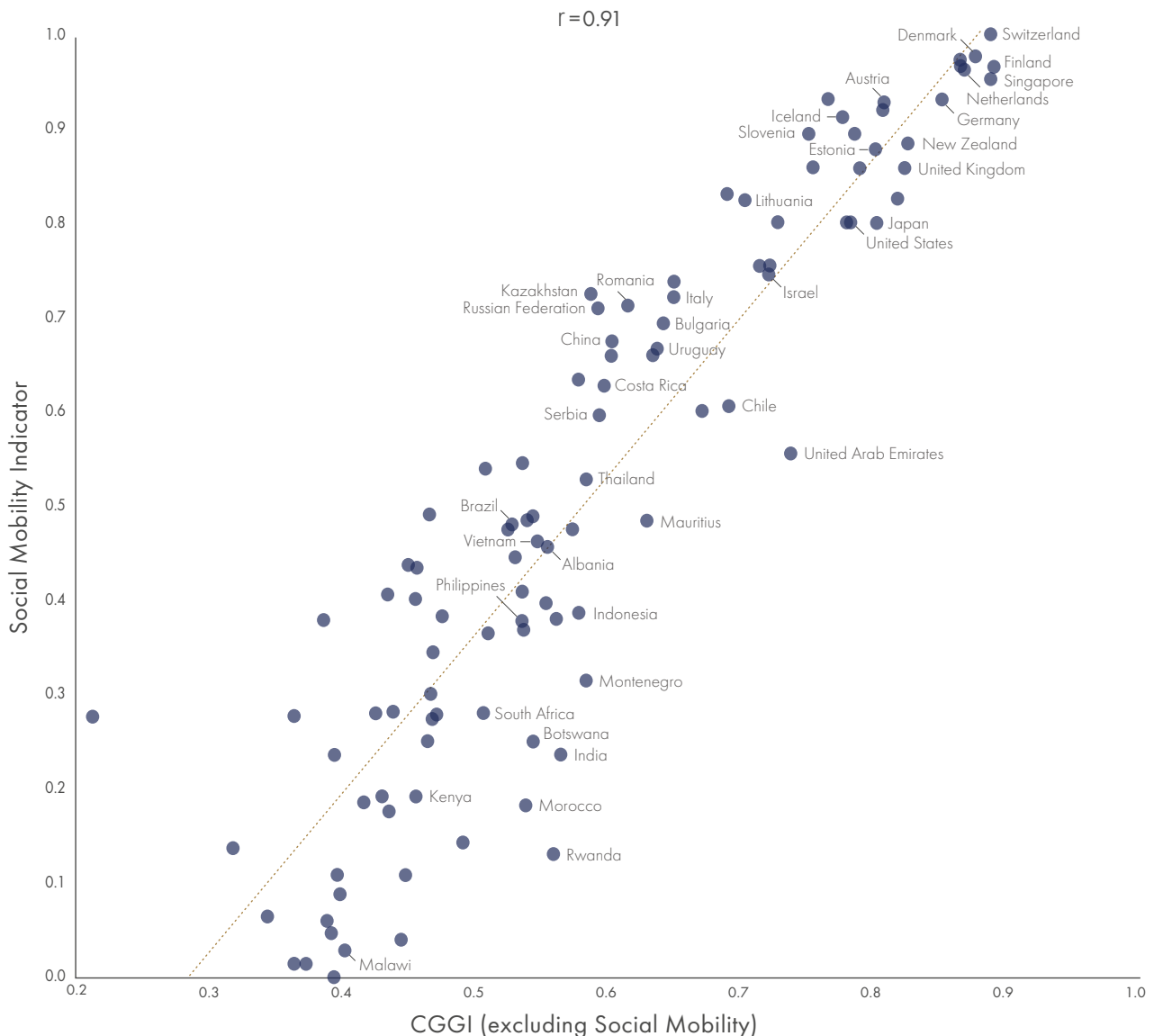
Sources: CGGI 2022; Global Social Mobility Index, 2020, World Economic Forum.

These three capabilities are essential factors in determining good governance, and sturdy foundations for national development and flourishing. Their presence suggests several other healthy behaviours and processes are being implemented—ones that prevent money from being siphoned, for instance, or the law being selectively applied. These are the cornerstones upon which trust-based societies and economies are built.

The Outcome Most Closely Related with Good Governance: Social Mobility

While the CGGI is capability-focused, it also looks at nine equally weighted outcomes—because the outcomes a government produces clearly matter in assessing its performance. These nine outcomes

comprise a pillar called "Helping People Rise", and range from education to healthcare, income inequality, and personal safety. They are vital components of human well-being and government performance, yet none was as closely related to good governance as social mobility, as measured by the World Economic Forum.

The CGGI defines social mobility as "the extent to which socio-economic circumstances at birth influence a person's future status and prosperity." Our findings suggest that good governance—not ideology, income-level, or geography—is what determines the extent to which countries create opportunities for their people to rise on the basis of their creativity, work ethic, and contribution.
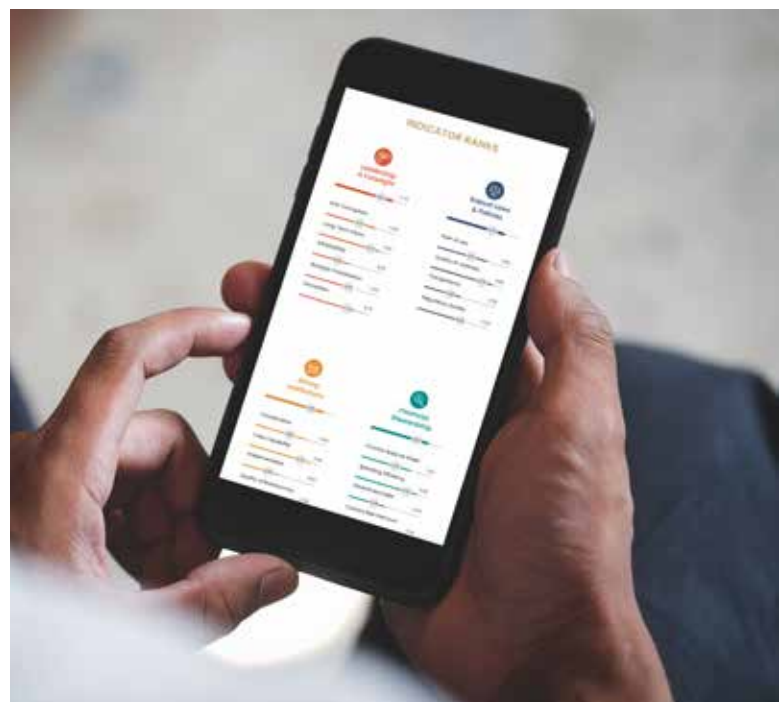
The CGGI Website

The CGGI is designed to turn analysis into action.

The online version of the Index is a dynamic and engaging tool which allows users to dive deeper into the data.

All 104 countries featured in the Index can be individually explored on the website, with breakdowns for all 35 indicators. Users can use the interactive features to compare countries, or to customise the Index by increasing or decreasing the weightage of selected indicators. The website also features country profiles and stories about governance, including contributions by government practitioners, insights pieces, and further resources.

www.chandlergovernmentindex.com

CGGI Website Features

Learn more, by exploring the CGGI Website
Scan the QR code to view website.

About the Chandler Institute of Governance

The **Chandler Institute of Governance** (CIG) is an international non-profit organisation, headquartered in Singapore. We believe in a world where citizens have a deep sense of trust in their governments and public institutions, and where nations are governed by principled, wise leaders supported by an effective civil service. Trust and effective governance serve as a solid foundation for national development and prosperity.

CIG supports governments in building government talent, leadership and public service capabilities through **training programmes**, **projects and partnerships**, and **knowledge creation and sharing**. We are not affiliated with any national government or political party, and we do not represent any partisan or commercial interests.

Mr Kenneth Sim, Dean, CAG, welcoming the fellows to the Public Service Emerging Leaders Fellowship (PSELF) Programme at the Kenya School of Government (KSG).

Mr Wu Wei Neng, CIG's Executive Director, conducting a working session for Vietnam's National Academy of Public Administration's (NAPA) lecturers.

Training

The **Chandler Academy of Governance** (CAG) develops and delivers training programmes for government leaders. Our programmes are defined by a strong practitioner-focus, which seeks to codify and share practical tradecraft, and not the underlying theory alone. In addition, CAG partners with government leaders and organisations globally in delivering our training programmes. This allows us to draw on good practices globally, while at the same time ensuring that learning is customised to the local context. CAG adopts different learning pedagogies, such as blended learning, to cater to learners' needs, improve accessibility to learning, and maintain high learner engagement levels.

Projects and Partnerships

CIG undertakes practical projects and works in close partnership with national and local governments, backed up by our network of public sector experts and practitioners worldwide, rigorous data and research, and a deep understanding of public administration.

We believe that different circumstances and contexts require different approaches. Hence, our approach is to facilitate goal assessment and strategic planning exercises, clarify institutional priorities, identify stakeholder needs, evaluate policy options, and identify concrete recommendations and action steps, to support decision-making by governments. We then work closely with our government partners to implement and see through initiatives and build internal capabilities for long-term ownership.

Knowledge Creation and Sharing

We believe that sound and non-partisan information support good decision-making. Hence, our knowledge and research products are designed for government practitioners—they are practical, relevant, and focus on the tradecraft of good government. Government practitioners can use them to support their work in policymaking, implementation, and capability building across various domains of governance. They range from Practice Guides to Case studies, 'Greats in Governance' histories, and Insights pieces.

In 2021, CIG launched our flagship **Governance Matters** magazine—a practitioner-focused annual magazine that features good practices and public sector tradecraft from government leaders and experts globally.

For more news and information, visit
www.chandlerinstitute.org

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Dr. Gyanendra Badgaiyan, Member of the Board of Directors at CIG, speaking with Provincial Civil Service (PCS) Officers at the workshops organised in collaboration with the Mahatma Gandhi State Institute of Public Administration (MGSIPA) in Punjab, India.

Pillars and Indicators of the CGGI

Leadership and Foresight

Leadership makes a difference. What public sector leaders decide, do, or say impacts public trust in government. Good leaders create and sustain cultures of integrity, competence and service. They have a clear sense of medium- and longer-term pathways for their government and country. They cultivate the foresight needed to anticipate emerging challenges and opportunities.

Anti-Corruption
The control and prevention of the abuse of public power for private benefit

Long-Term Vision
The ability to develop and express the desired goals and destination for the nation over a longer period of time

Adaptability
Responding to various trends and changes with appropriate strategies, policies, and actions

Strategic Prioritisation
Developing longer-term plans and decision-making frameworks that focus on important goals and outcomes

Innovation
The capacity for learning, and the generation, adaptation, and application of ideas

*Ethical Leadership**
Positive moral values and standards that leaders possess and demonstrate

*Not included in 2022 rankings because of incomplete data. To be considered for inclusion in future years.

Robust Laws and Policies

Effective and consistent laws and public policies are essential to a well-functioning and prosperous country. Laws set the rules of the game for social and economic activities. A consistent, principled, accessible, and transparent justice system engenders investor confidence and public trust. Good governments have robust policymaking processes that are balanced, inclusive, and effective.

Rule of Law
Whether laws are just and impartial, whether governments observe due process and are accountable to the laws, and whether justice is accessible to all

Quality of Judiciary
Whether courts of law are efficient and independent from external influence

Transparency
The public availability and accessibility of government information

Regulatory Governance
The ability of governments to establish clear and representative policies and regulations

Strong Institutions

Institutions, such as Ministries, public departments, and statutory agencies, are the cornerstones of a well-functioning government. Strong institutions are grounded in purpose, can coordinate and work effectively with others, analyse and act well on new information, and can translate plans and policies into concrete actions and programmes.

Coordination
The ability to balance interests and objectives, and to ensure that multiple government agencies act coherently and in a collaborative manner

Data Capability
The ability to gather and use data, and to provide quality digital and online services

Implementation
The degree to which a government can execute its own policies and meet its policy objectives

Quality of Bureaucracy
The capability and performance of the civil service, regardless of political and policy changes

Financial Stewardship

How governments acquire, allocate, and distribute public funds has far-reaching consequences for citizens and businesses. To sustain a country's prosperity, governments must ensure sound and prudent management of public revenue and expenditure. Those that manage and account for their spending well achieve better value for money. Good financial practices improve public trust in government. They also enhance confidence in a government's ability to repay debt, lowering the cost of sovereign borrowing.

Government Debt
The debt dynamics and risk of a country, based on its debt-to-GDP levels, changes in debt, country credit ratings, and stage of economic development

Country Budget Surplus
A government's average revenue and expenditure position, based on its fiscal balance, over a five-year period

Spending Efficiency
The extent to which public spending translates into outcomes and services with minimal wastage

Country Risk Premium
The risk of investing in a country due to its sovereign debt repayment ability and economic governance

19

Attractive Marketplace

Competitive and attractive markets are essential for a flourishing economy and thriving nation. To cultivate them, governments must be able to secure and protect property rights, encourage and support domestic and cross-border economic activity, develop economic infrastructure, and design sound and stable regulations. Attractive marketplaces create jobs, innovation, and opportunities.

Property Rights
The extent to which the legal rights to own and use physical and intellectual property are established and protected

Macroeconomic Environment:
The maintenance of inflation and unemployment levels within optimal ranges, given the economic situation and needs

Attracting Investments
The ability to attract foreign direct investment (FDI)

Logistics Competence
The quality of logistics infrastructure and systems within a country

Stable Business Regulations
The stability of policies and regulations concerning business activities

Tax Efficiency *
Whether taxes are set at reasonable levels, well-designed, and simple to comply with

*Not included in 2022 rankings because of incomplete data. To be considered for inclusion in future years.

Global Influence and Reputation

In a highly globalised world, a country depends on its international presence for trade, capital, information, opportunities, and international "space" to operate in. A government must effectively manage and safeguard its diplomatic networks, economic links, international partnerships, and country "brand". While some countries may wield significant influence due to their size or strengths, others may benefit from their reputation as trusted and constructive global voices.

International Trade
The freedom, access, and capabilities to buy and sell goods and services beyond national borders

International Diplomacy
The extent of a nation's diplomatic representation and presence abroad

Passport Strength
The credibility of a nation's passport, as measured by the number of visa-free arrangements that passport holders enjoy globally

Nation Brand
The coherence of a country's national tourism promotion, and its image and appeal to a variety of non-commercial stakeholders

Helping People Rise

Governments that use their capabilities to create conducive conditions for people from all walks of life to achieve their fullest potential are Helping People Rise. Good public outcomes mean enhanced opportunities and a better quality of life for people; these in turn improve trust in government. The CGGI measures outcomes that governments can have significant control over.

Education
The literacy rate and years of schooling of the population

Health
How long a newborn child can expect to live, given current health and mortality expectations

Satisfaction with Public Services
Satisfaction with public transport, infrastructure, and education

Personal Safety
The state's ability to protect its people from violent crime

Environmental Performance
The safety and sustainability of a nation's ecosystems and environment

Income Equality
The evenness of income distribution across the population

Social Mobility
The extent to which socio-economic circumstances at birth influence a person's future status and prosperity

Gender Gap
The extent to which both women and men can participate in, and benefit from, educational and economic opportunities

Non-Discrimination
Freedom from discrimination, regardless of a person's socio-economic status, ethnicity, gender, identity, or faith

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The Chandler Institute of Governance (CIG) is an international nonprofit organisation headquartered in Singapore. CIG supports governments in developing its leaders, strengthening its institutions, and building its public service capabilities. We do this through advisory partnerships, training programmes, a proprietary index that measures government performance, and knowledge products.

To learn more, please visit our website.
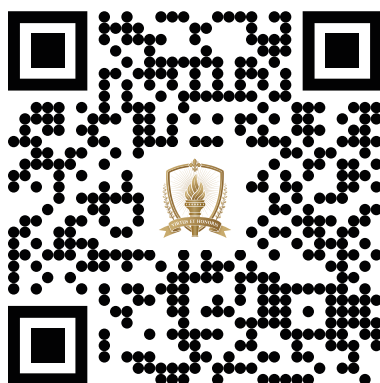
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