

Evaluation of the Relationship of Democracy and Governance: An Empirical Analysis

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Economic, social, political and technological developments have greatly influenced the field of public administration, and new paradigms have been introduced accordingly. Governance, one of these approaches, deals with controversial issues such as changing the state-citizen relationship, strengthening democracy, improving the service provision capacity of the government, and the rule of law, and are discussed at global, national and local levels. Within the scope of this study, the effect of governance on democracy is investigated. Accordingly, the theoretical claim that governance has an impact on democracy is tested with an empirical analysis using quantitative data. In order to test this claim, democracy and governance indices are analysed statistically. Based on these data, various correlation and regression analyses can be made. As a result, it has been determined that governance has a very high effect on de-

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mocracy. Moreover, there is a high level of correlation and effect between the sub-dimensions of both indices.

Keywords: democracy index, determinants of democracy, governance indicators, good governance, statistical analysis

1. Introduction

There are various changes in the paradigm and implementation of today's public administration. The most important of these changes is the introduction of postmodernism in public administration (Şaylan, 2006). Approaches such as New Public Management and Governance have become very popular in recent years. In postmodern public administration, concepts such as fragmentation, legitimacy, democracy, negotiation, rule of law, freedom of expression, locality, flexibility, participation, and pluralism come to the fore. Therefore, it can be claimed that governance is in a very effective position in public administration, where such concepts gain importance. In addition, postmodern public administration is decentralised, flexible, networked, open, democratic and ethical. In this context, the aim is to establish a new ground based on postmodernism by taking support from political, social, psychological and philosophical concepts, which are thought to be neglected in public administration before the postmodern period.

Researchers such as Fox and Miller (1993, pp. 12–13) and Farmer (2007, p. 1210), who are accepted as postmodern public administration theorists, argue that today's democracy cannot be implemented effectively due to a number of problems. Researchers who hold such views generally act on the fact that public participation in state administration activities and the supervision of such activities are insufficient. But this view is not a total opposition to liberal representative democracy; it is a proposal that problems can be solved by factors such as participation, pluralism, equality, and the rule of law. Therefore, it can be inferred from these views that the suggestions of good governance are very important for democracy. Moreover, it is argued that this offers a solution to the crisis created by representative liberal democracy in public administration.

As a matter of fact, governance increases the roles of non-governmental organisations in political decision-making processes, and the concept of individual is redesigned in the context of the basis of participatory democ-

racy. In fact, governance can be thought of as a political-administrative theory based on liberal democracy, because governance, as an advanced stage of the new public administration, is based on democracy rather than organisational-efficiency. The governance approach is based on multi-actor and horizontal relations and is at the intersection of the dimensions of localisation, civil society, participation and democracy. Consequently, we can say Neoliberalism's new "political theory" is "participatory democracy", and its new "public administration theory" is "governance".

In addition to these, in the context of deliberative democracy, governance, which can be considered as one of the cornerstones of the "public sphere" approach to which Habermas (1991) made a great contribution, also presents a model based on negotiations in which all social actors are open to the political system. Therefore, governance is founded on a conceptual and theoretical ground that is democratic participation, civil society, communication and deliberative democracy.

Although the contributions of governance to democracy have gained momentum with the widespread use of the concept of governance, the proposals for increasing the quality of democracy date back to Ancient Greek thinkers. Especially the claim put forward by Aristotle and conceptualised by Lipset (1959, p. 71) is one of these suggestions. According to this claim, increasing social welfare will increase democracy. Today, it would be more correct to interpret this "social welfare" concept as governance.

Within the scope of this study, based on the claims of Aristotle and Lipset, the effect of the quality of governance on the quality of democracy is investigated empirically. The main purpose of this study is to investigate this impact empirically. The existence of a relationship between these two phenomena is discussed theoretically in the literature and there are claims regarding the existence of a relationship. However, there are no empirical studies in the literature to prove these claims. In the literature, one can see that the claims regarding the facts of governance and democracy are generally at the theoretical level. Therefore, in this study, the intention was to close this gap by using quantitative data. As a result of long-term quality measurements regarding both phenomena, there are data about the democracy and governance levels of almost all countries around the world. The Worldwide Governance Indicators (WGI) of the World Bank and the Democracy Index gathered by the Economist Intelligence Unit contain very comprehensive and extensive data on these two phenomena. In addition, the data provided by these two organisations are collected more regularly than the determinants given by other organisations. In

addition, the data by these two organisations are more accepted in the literature. In addition to all of that, the most important reason for choosing these data is that they are available for quantitative analysis to make comparisons.

Empirical contribution to theoretical discussions is provided by conducting statistical analyses on these data. In order to test this claim, democracy indices and governance indices are analysed statistically. Based on these data, various correlation and regression analyses are made. The relationship between governance and democracy indices, which are claimed theoretically and measured by quantitative data by various organisations, is tested empirically. In addition, the effect of governance indices on democracy indices is tested using regression analysis. As a result, the main hypothesis of this study is that “the quality of governance of countries has a significant and positive effect on the quality of democracy” (H1). In order to test or verify this hypothesis, quantitative data were preferred to be used rather than engaging in theoretical discussions and citing some supporting paradigms, because these quantitative data, based on decades of research, have not been used in any previous study. This method was chosen because it is more provable and verifiable to analyse governance and democracy through quantitative data.

In the first part of the study, the concepts of democracy and governance are examined conceptually and theoretically. In addition, discussions in the literature regarding the quality of governance and democracy are mentioned. The relationship between governance and democracy is evaluated, and the effect of governance on democracy is discussed under theoretical discussions.

In the second part of the study, the tests related to the empirical analysis and the findings obtained are included. In this section, the effect of governance on democracy is investigated by testing it through different propositions. The basis of this study is a single and main hypothesis (The governance quality of countries has a significant and positive effect on the quality of democracy). However, since it was believed that testing this hypothesis alone would not yield detailed results, the sub-dimensions of both indices (governance and democracy) were examined by regression analysis. Thus, the introduction of these sub-dimensions allowed for a more detailed examination of the principal claim that governance has an impact on democracy. Therefore, the effect levels (negative or positive) of each sub-dimension could be determined. As a result of the statistical analysis, all of these propositions have been supported.

2. The Concept and Basics of Democracy

Democracy is a system of government that can be regarded as normatively “good”. Although it is often considered as a simple, ordinary phenomenon that is understood by all segments of the society, it includes quite complex concepts, values, facts, and processes. Many regard democracy as the best form of governance ever put forward. Of course, there are those who think differently.

Therefore, it is useful to start the definition of democracy, which is such a controversial “value” or “management system” in a modern sense, with the Gettysburg Address, given by Abraham Lincoln in 1863. In this Address, democracy was used in a manner that is highly demanded today, as “the government of the people, by the people, for the people” (Heywood, 2015, p. 171).

When the concept of democracy is analysed theoretically, one can see that democracy is not a “people’s power”, and moreover it does not mean “self-governance of the people” (Sartori, 1996, p. 31). As a matter of fact, while democracy (direct democracy) from Rousseau’s perspective is an administrative system that the people make and implement directly, today, representative democracy, both in practice and in theory, brings “the ruler-and-the ruled” distinction and brings the use of power over individuals to the agenda (Sartori, 1996, p. 32). Thus, the classical democracy approach that emerged goes beyond the views of Rousseau, and the power that has a power over the people and rules it, is elected by the sovereign people, and fulfils the function of government through its representatives (Miller, 1984, p. 1). Nevertheless, some objections arise at this point, as well. In many democratic systems of government, there is an argument that representatives chosen from among the people do not rule the people. In this context, according to the *Konkurrenz Demokratie* (competition democracy) model put forward by Schumpeter (1947), representatives (political parties) elected by the people, consisting of free and adult individuals, rule the people. As a matter of fact, the main objection here is that the representatives in the parties elected as representatives by the people are determined by the party manager/senior management, not by the people. At this point, the people are only obliged to elect a party and only vote for candidates nominated by the party leaders in elections. In such a system, the people who are dominant are expected not to interfere in the affairs of the administrators they chose until the next election (Medearis, 1997, p. 828). Yet, it is believed that such an elitist model will not be (at least it should not be) sustainable in today’s contemporary democ-

racies, in societies with a high level of education, and in societies with an inclusive political culture.

Since the definitions of democracy and the theories and models of democracy that have been put forward based on these definitions are quite abundant, the determinants of democracy should be put forward in order to present a comparable perspective. Setting the determinants of democracy relatively more clearly than their definitions will make the definitions clearer and will also enable the definition of democracy on a global scale.

2.1. Determinants of Democracy

There are various determinants in the development of democracy and the achievement of this democracy at a quality level, and both descriptive and experimental studies are carried out on these. For example, it is accepted that a number of important changes, such as widening the scope of electoral rights (lowering the age limits and removing gender limits), improving living standards, increasing the education level, and increasing the GDP, will have significant effects on democracy. On the other hand, it is concluded that the size of the countries, religion, and urbanisation do not have a significant effect on democracy (Barro, 1999, p. 158). In fact, if the determinants of democracy are mentioned, it means that democracy is defined narrowly.

The issue of determining the determinants of democracy brings with it the problems of measuring democracy. Measuring democracy has contributed to the development of specific measurement methods as well as influencing transformation research in many aspects in the 1990s (O'Donnell & Schmitter, 2013, p. 11). While the studies focus on the transformation from autocracies to democracy, issues such as the formation conditions, conditions of success and consolidation of democracies as normative have been examined. In particular, the research focused on the following fundamental question: By which concept can the newly formed diversity of democracy be appropriately grasped? By what criteria can the grey areas between democracies and autocratic systems be better measured? What factors change the quality of democracy in what way?

Many concepts related to measurement methods date from the 1980s and 1990s, indicating a fairly recent history of intensive research on democracy measurement. Among the many studies that measure the democratic quality of political regimes, the following three concepts stand out with its large database feature. A summary of these indices is given in Table 1.

First, there is Vanhanen’s democracy index based on global measurements (Vanhanen, 1990, pp. 48-78). Second, Coppedge and Reinicke (1990) investigated the institutional conditions of competition, unlike Vanhanen, in their research covering 167 countries, and based the scale of polyarchy on four dimensions: free and fair national elections, freedom of thought, freedom of association in the form of parties and unions, and government information resources. Third, it is the Polity project, which has been updated with various versions over time and has a historical depth in a global perspective (Jagers & Gurr, 1995, p. 469). In Coppedge and Reinicke’s research, the criticism of the lack of restraint on the executive has been tried to be eliminated on the democracy and autocracy scales of Jagers and Gurr. Fourth, Freedom House’s concept, which does not contain a true method of measuring democracy, but is the most widely used.

Countries are graded from 1 to 7, according to the Gastil Index. In this index, it one can see that individual freedoms are examined in a related way (Inkeles, 1991, p. 1; Pickel & Pickel, 2006, pp. 151-276).

Lastly, The Economist’s measurement is based on five basic scale dimensions that attempt to identify the state of democracy in 167 countries. The measurements of democracy made by The Economist Intelligence Unit are published every year (The Economist Intelligence Unit, 2019). Each indicator has a rating on a scale of 0-10, and the overall Democracy Index consists of a simple average of five category indices. The resulting index values are used to characterise countries with one of four regime types: complete democracies (scores greater than 8), defective democracies (scores greater than 6 and less than or equal to 8), hybrid regimes (scores greater than 4 and less than or equal to 6), and authoritarian regimes (4 or less) (The Economist Intelligence Unit, 2019, pp. 52-64).

Table 1: *Different indices that measure the quality of democracy*

Measure of democracy	Main goal and method of measurement
Vanhanen’s Democracy Index	Vanhanen created his own index for the measurement of democracy, acting on Dahl’s concept of polyarchy. His formula on this subject is briefly: Democratisation (D)=(PXC)/100, i.e. the degree of Participation times the degree of Competition divided by 100. According to him, the indicator of democracy is the democratisation index.
Coppedge and Reinicke	They based the scale of polyarchy on four dimensions: free and fair national elections, freedom of thought, freedom of association in the form of parties and unions, and the availability of alternative sources of information to government information sources.

Jagers and Gurr's Polity project	The Polity project provides theoretical and operational definitions of democracy indicators of regime type. It evaluates the authority characteristics of the states in the world system by using quantitative analysis comparatively.
Kenneth Bollen	In the liberal democracy index for 1980, prepared by Kenneth A. Bollen, 0 shows the absence of democracy, and 100 fully developed liberal democracies.
Axel Hadenius	In the democracy index, which is based on the measurement of Axel Hadenius' political rights and freedoms, the indicator of the free election of political leaders and the right to vote and the indication of the gentlemanly elections, the value 0 indicates the absence of democracy, and the value 10 indicates full democracy.
Gastil Index	A scale that evaluates countries based on the implementation of electoral rights has been developed by the Freedom House. According to this scale called the Gastil Index, countries are graded from 1 to 7. In this index, one can see that individual freedoms are examined in a related way.
The Economist Intelligence Unit's democracy index	It is based on a 0-10 rating of 60 indicators divided into five categories. These five basic indicators are: Election Process and Pluralism; Civil Liberties; Functioning of Government; Political Participation and Political Culture.

Source: Author.

3. Governance Approach and its Basics

In recent years, various actors have started to question and change the traditional meaning and values of public administration. These inquiries are mainly about whether the national government is still the primary actor in making public policy decisions. There is a pressure of change in this direction from supranational institutions such as the European Union and the World Bank, and from other international organisations (Peters & Pierre, 1998, p. 223). On the other hand, the emergence of some marginal perspectives such as “stateless/minimal state public administration” (Rhodes, 1996, p. 653) indicates that there are serious changes in the basic dynamics of public administration or that they will happen in the near future. Such views are an indication of the weakening of the central government’s influence, the obsolescence of the traditional power model, and the increasing role of other social actors. Therefore, the conceptual framework used to explain the changes in public administration and management understanding as a whole is considered within the governance approach.

Defining the concept of governance is quite difficult. The definitions on this subject are rather scattered and eclectic (Karataş, 2019, p. 118). Governance having academic foundations in many fields such as economics, international relations, organisational management, political science, management science etc., causes these scattered definitions to be eclectic (Stoker, 1998, p. 18). In many disciplines, there are usually no attempts to define it using this concept in an intuitive sense. Although the use of the term is quite common, its meaning is not clear.

The traditional use and word meaning of the concept is synonymous with “management-administration” (Stoker, 1998, p. 17). However, the concept is not used in the sense of “management” due to its modern usage. The concept of governance, instead of a state-centred management style, points to a structure in which more than one actor is involved in management activities. In such a management structure, the state ceases to be the primary factor in administrative activity and becomes relatively equal with other actors (civil society, private sector, non-governmental organisations etc.) (Rhodes, 1996, p. 660).

According to Rhodes (1996, pp. 652-653), the concept of governance can be used in various meanings in the form of management processes and activities, the state of governance, people and politicians with governance tasks, a certain management system or method. However, in the essence of all these different definitions, governance actually draws attention to the existence of a change in the nature of the management and expresses a new model that suggests that the place of the society in this administrative system approach is in the centre.

Due to the eclectic nature of governance and its often intuitive use, it can be used in many different meanings even in the discipline of public administration, as well as having different meanings in different disciplines. This concept is used in six different ways in the public administration discipline (Rhodes, 1996, p. 653).

Each of the attempts to consider and define governance as a different phenomenon manages the concept of governance towards different areas, and each field has its own unique recognition of governance. However, in order to talk about a globally comparable governance concept, the determinants of governance should be revealed and made measurable. Therefore, in order to examine empirically the effect of governance on democracy, it is necessary to investigate how measurement activities are carried out by using empirical ways, and under which topics they are examined. However, different methods and approaches are adopted to measure this phenomenon, which has different approaches even in its definition.

3.1. Governance Quality and Measurability

Democracy and good governance worldwide have become an important criterion for a country's reputation and prestige on the international stage. As a matter of fact, the governance qualities of the countries in both political and economic fields affect the investments to be made in the country and thus the national economy of the country. Accordingly, some countries and international institutions are seeking answers to questions such as which countries show better or worse governance characteristics, what good governance indicators are, and whether it is possible to make a comparison.

Ultimately, these questions set the stage for the debate on the measurability of governance. However, it should not be forgotten that there is no uniform governance model applicable to all countries around the world. On the other hand, since it is very difficult to evaluate each country in its own way, it is also necessary to determine the common criteria that should be taken as the basis for determining the quality of governance in all countries.

While governance is quite difficult to define due to its complex and eclectic nature, it is much more difficult to measure the quality of governance. Although this situation is difficult, it seems that the efforts made to measure the quality of governance are not new (Norris, 2011, p. 180).

Studies are being expanded rapidly in an effort to respond to the measurability of governance and to enable comparison. In recent years, various institutions have emerged to provide governance indicators, and today it has become the occupation of many organisations and individuals. Dozens of indicators of various scope and quality are used to measure governance quality. These have different characteristics in terms of time, as well as quality and geographical coverage. While some indicators carry objective macroeconomic data based on facts, some of them are subjectively derived perception indicators based on the experiences of professionals, citizens, and institutions. It is possible to say that researchers have reached a consensus on the problem of measuring governance. It is possible to make comparisons between countries with the data obtained in line with the indicators that make these measurements effective, and the interpretability of the observations reveals the effectiveness of the measurement (Kaufmann & Kraay, 2008, p. 1).

Governance indices of various organisations and their indicators are given below. The most important work in this direction is carried out by the

World Bank. The most important governance quality research conducted by the World Bank is the Worldwide Governance Indicators (WGI) study by Kaufmann, Kraay, and Zoido-Lobaton. The World Bank researchers make country rankings according to the governance indices they have obtained by collecting data from many sources, and make it possible to compare them among countries (Kaufmann, Kraay & Zoido-Lobaton 1999, pp. 5–7).

In order for the researches to be objective, WGI are based on 340 variables obtained from 35 different sources, including public institutions, non-governmental organisations, households, company research, and commercial information providers (Kaufmann, Kraay, & Mastruzzi, 2008, p. 8). The data has been updated for each country every year, since 1996. WGI's six main dimensions are Voice & Accountability, Political Stability and Lack of Violence, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption (Kaufmann, Kraay, & Mastruzzi, 2010, p. 4). Governance values are standardised each year with a standard deviation (Kaufmann et al., 2010, p. 11).

The second organisation that deals with the quality of governance is the Freedom House, an independent organisation. This organisation started to evaluate the quality of governance and political tendencies in the 1950s under the name "Balance Sheet of Freedom". In 1972, the institution launched a new, more comprehensive study published annually, called "Freedom in the World". The Gastil Index, which is published annually by the Freedom House, developed by Raymond Gastil, which can measure democracy and allows for a wide range of comparisons in the literature, includes civil liberties and political rights (Norris, 2011, p. 186). This organisation, which supports the advancement of freedom in the world, is a research institution covering 195 countries and 14 regions, evaluating political rights and civil liberties and allowing for annual comparison (Freedom House, 2019).

The International Country Risk Guide (ICRG), prepared by The PRS Group, which is the third organisation that deals with the quality of governance, is one of the commercial resources that have made country risk analysis and assessment since 1980. 140 countries are followed in this guide, which is published regularly every month. The document, which includes over 200 pages of financial, political, and economic risk information and forecasts, is a warning system for international trade. The published report contains 22 variables that are divided into three sub-categories: political, financial, and economic (PRS, 2019).

The Corruption Perceptions Index (CPI), prepared by Transparency International (TI), which is the fourth organisation seeking to measure the quality of governance, is an index published annually. TI was established in 1993 and is the leading global non-governmental organisation in the fight against corruption, operating in more than 90 countries. Transparency raises awareness of the negativity of corruption and works with government, business, and civil society partners to develop and implement effective measures to address it. The Bribe Payers Index (BPI), which has been prepared by TI since 1999, is another index related to governance. In the reports published every 3–4 years, 28 countries, which are important in international and regional exports, are ranked according to the degree of bribery of the institutions belonging to these countries when doing business abroad (Transparency International, 2019).

The fifth organisation that seeks to measure the quality of governance is the World Economic Forum. The Global Competitiveness Index (GCI) in the “Competitiveness Report” published annually by this institution since 1978 is a governance scale. Based on the GCI, the report includes 148 countries and evaluates the country’s capacity to increase the welfare of citizens. This depends on how a country can use its available resources efficiently. Therefore, the GCI measures institutions, policies, and sets of factors in achieving the medium-term level of economic prosperity and current sustainability (World Economic Forum, 2019).

The Mo Ibrahim African Governance Index (IIAG), established in 2007, represents the most comprehensive collection of quantitative data on governance in Africa. The data, gathered in collaboration with experts from different institutions, allows for an annual review of governance in each African country. The IIAG provides a comprehensive framework for citizens, governments, institutions and business to assess policy outcomes and the distribution of public goods and services across Africa (Mo Ibrahim Foundation, 2019).

The Institute for Management Quality (QOQ) is an institution founded in Sweden in 2004 by members of the Political Science Department of the University of Gothenburg to investigate the nature, consequences and causes of good governance. Researchers examine how high-quality political institutions are formed and maintained, and address theoretical and empirical problems. The institution allows for the data it collects to be compared with the management quality in the international arena (The QOQ Institute, 2013). Studies and scales for measuring the quality of governance are summarised in Table 2.

Table 2: *Different indices that measure the quality of governance*

International institutions	Governance indicators
World Bank	Country Policy and Institutional Assessment Doing Business Index Governance Development World Governance Indicators
Freedom House	Balance of Freedom Freedom House in the World Gastil index
Political Risk Group	International Country Risk Guide
Transparency International	Corruption Perceptions Index
World Economic Forum	Global Competitiveness Index
Mo Ibrahim Foundation	Index of African Governance
Quality of Government Institute	Quality of Government
Political Instability Task Force	Polity IV
Inter-American Development Bank	DataGov
Heritage Foundation	Economic Freedom Index

Source: Author.

4. The Relationship between Governance and Democracy

The link between governance and democracy is a central issue for the discipline of public administration as well as for political science. Although clear empirical evidence on the nature of this link is not yet available, it seems to support the view in the literature that the quality of governance affects the quality of democracy (Jachtenfuchs, 1998, p. 1).

The “good governance” approach proposed by the World Bank aims to cover the insufficiency of the stabilisation programmes and structural adjustment programmes implemented by the World Bank from the 1970s and 1980s (Demmers, Jilberto, & Hogenboom, 2004, pp. 1-2). Although the concept of good governance is accepted in the United Nations Millennium Declaration, there are three different approaches within this concept. The first of these is the business approach, while the second is the approach to reduce corruption. The third approach is the basis of this study. It focuses on the necessity of evaluating good governance from the

perspective of democracy and human rights. The fact that good governance emphasises the principles of separation of powers, independence of the judiciary, freedom of organisation, speech and broadcasting, multi-party systems, free elections and the rule of law, shows that it contains very important recommendations for democracy (Demmers et al., 2004, p. 3). Therefore, good governance is concerned with improving the state or the political system as a whole, based on certain principles.

Thomas Jefferson's (1995, p. 135) famous phrase "the state derives its legitimate power from the consensus of the governed on those who govern" emphasises that the concept of "good governance" is very important in state administration. Dialogue and compromise are included in the concept of "good governance" (Aktan, 2003, p. 181). The public should first be able to elect their representatives (political participation and representation) based on their free will and consensus, give them the right to rule in this way (representative power of attorney), be able to participate in public decisions by being in close communication with the rulers (participation in management), and they should be able to control (audit) them in order for the representatives not to abuse their powers. It is stated that the existence and functionality of these key concepts are required for the ideal state and good governance in true democracy. In order for democracy to truly be formed, emphasis should be placed on consensus, dialogue, compromise, participation and communication, and good governance (Ku, 1995, p. 552).

It is not enough to have a democratic regime or to hold elections for the consolidation of democratic institutions and processes in a country (Linz & Stepan, 1996). Schedler (2001) argues that a democratic regime is consolidated when leaders behave democratically, when major political actors adopt democratic attitudes, and the socioeconomic and institutional foundations of democracy are established. Therefore, the implementation of good governance principles is very important for the consolidation of democracy (Sharma, 2007, p. 46). On the other hand, because of the different past governance practices of states and their strict adherence to their own administrative and bureaucratic culture and traditions, they may be reluctant to apply the principles of governance, which are important elements in the full establishment of democracy. Therefore, the relationship between governance and democracy can change according to the conjuncture of each country (Klijn & Skelcher, 2007, p. 591).

As a result, it can be accepted that an increase in the management quality of the countries will increase their democracy level positively. It would

be unreasonable to claim the opposite. So, to claim that an improvement of democracy will increase the quality of governance is like a dream. As a matter of fact, governance indices are put forward as a result of the improvements in structural issues in the country. Moreover, it does not look at the democracy levels of countries when collecting data on the governance indicators of the World Bank. In addition, according to the IIAG, which measures the quality of governance in a smaller number of countries, perspectives on the basic human rights in the country, such as governance quality security, rule of law, human rights are important. Therefore, in the relationship between governance and democracy, the quality of governance is an antecedent, while democracy is an outcome. If there was no such relationship, the quality of democracy should have been among the governance indicators of the World Bank.

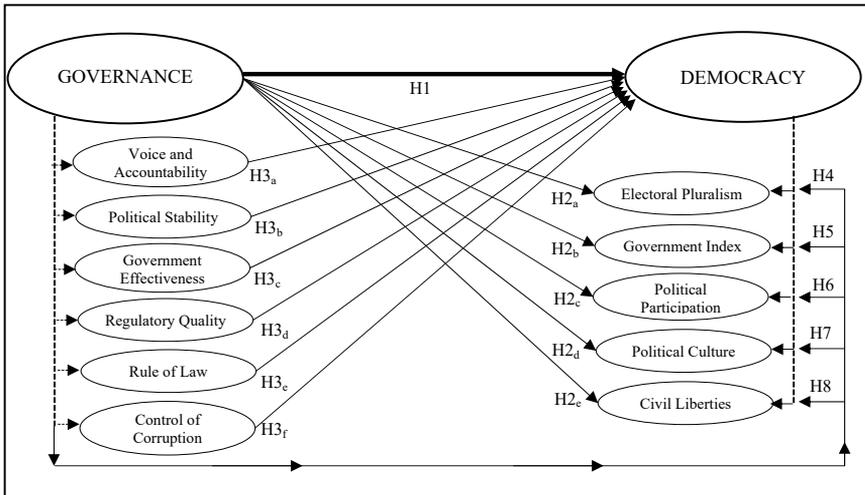
Democratic political culture dimension, which is one of the sub-dimensions of the democracy index, can be measured by a number of fundamental values such as political stability, rule of law, and freedom of expression. These core values are sub-dimensions of governance. In other words, the results of the governance indices are a factor used in the calculation of the democracy index. Likewise, sub-dimensions of governance are important for the emergence of other sub-dimensions of democracy.

5. Investigation of the Impact of Governance on Democracy

5.1. Research Model

The relationship between democracy and governance can be investigated in terms of its sub-dimensions through the statistical analysis made within the scope of this study. In addition, the effect of governance on democracy will be investigated within the scope of this study and the existence of this effect, which is accepted as theoretical, can be determined empirically. Therefore, the aim is to reach very comprehensive and detailed results in terms of governance and democracy. The model of the research planned to be conducted in line with this goal is shown in Figure 1.

Figure 1: *Research Model*



Source: Author.

In the research model shown in Figure 1, the propositions put forward within the scope of this study are also shown. The main hypothesis (H1) put forward is that “The governance quality of countries has a significant and positive effect on the quality of democracy”. Based on this hypothesis and in order to test this hypothesis in more detail, sub-dimensions of governance and democracy indices were also included in the study. These propositions are actually sub-hypotheses that allow for this hypothesis to be tested in more detail. Performing this study on a single hypothesis is of course the easiest and least critical method. However, since it is thought to be superficial to explain the relationship between the concepts of governance and democracy, which are very important for political science and public administration, with a single analysis, both indices have their sub-dimensions included in the analysis. As a matter of fact, since we cannot think of the sub-dimensions independently from the main dimensions, the aim is to reach the conclusion on how each sub-dimension creates an effect. The claim we put forward with the H1 hypothesis is actually an empirical analysis of the hypothesis discussed on democracy since Aristotle. Lipset (1959) formulated Aristotle’s ideas about democracy in a more concrete and contemporary way. According to Lipset’s claim based on Aristotle’s ideas, “the welfare level of the society activates democracy”. As a matter of fact, there is an attempt to implement all of the contents related to social welfare with the concept of “governance” today.

Although there are no clear predictions in theoretical models investigating the relationship between governance and democracy, the results of this study confirm that there is a strong empirical proof of the Lipset/Aristotle hypothesis. In particular, increases in various measures of governance anticipate a gradual rise in democracy.

5.2. Research Methodology

The use of quantitative data was preferred in order to test empirically the hypotheses put forward in this study. Accordingly, the data of institutions seeking to measure democracy and governance phenomena and compare them on a country basis were collected. It was decided to use the data of the World Bank, which is one of the institutions seeking to measure the quality of governance, because it is very comprehensive and using many different variables. From the data (WGI) published by the World Bank, the data created for 214 countries between 2009–2018 were obtained from the institution's database (World Bank, 2019).

These data were transferred to the SPSS program by taking the ten-year average for each country in terms of one main dimension (governance) and six sub-dimensions. On the other hand, the data on democracy were obtained from the reports published by The Economist Intelligence Unit (The Economist Intelligence Unit, 2019). In the research carried out by this institution, it has been determined that there is democracy index data for 165 countries. Therefore, among the 214 countries in the governance indicators, countries without democracy indices were excluded from the analysis, and both governance and democracy data of 165 countries were included in the analysis. Democracy indices were used in one main dimension and five sub-dimensions for each country by taking the average of 2009–2018.

As a result, in the ten-year period between 2009 and 2018, the simple averages of the governance and democracy data of 165 countries and their sub-dimensions were transferred to the SPSS program. Thus, as shown in Figure 1, the relationship between the two main dimensions and their sub-dimensions (six sub-dimensions of governance and five sub-dimensions of democracy) and their impact on each other could be analysed.

5.3. Descriptive Statistics

In order to test the hypotheses, descriptive statistics of the data used before the correlation and regression analysis of the Governance and De-

mocracy variables were made, and it was determined what types of data would be used and what averages.

Table 3: *Descriptive statistics data*

	N	Mean	Median	Vari.	Std. Dev.	Min.	Max.	Skew.	Kurt.
GOVERNANCE	165	45.36	41.48	519.59	22.79	3.08	95.51	0.44	-0.67
Voice_Accountability	165	49.02	48.68	512.71	22.64	5.29	96.21	0.16	-0.88
Political_Stability	165	53.50	54.00	471.54	21.71	0.00	100	-0.20	-0.39
Government_Effectiveness	165	35.52	31.25	721.49	26.86	0.00	100	0.56	-0.55
Regulatory_Quality	165	51.77	52.00	526.99	22.95	0.00	95.00	-0.21	-0.64
Rule_of_Law	165	47.88	43.75	623.78	24.97	0.00	97.81	0.36	-0.72
Control_of_Corruption	165	34.45	25.00	847.64	29.11	0.00	100	0.71	-0.47
DEMOCRACY	165	55.25	58.34	476.84	21.83	10.69	98.73	-0.07	-1.03
Electoral_Pluralism	165	59.91	71.25	1213.98	34.84	0.00	100.00	-0.49	-1.28
Government_Index	165	49.71	51.44	604.98	24.59	0.00	96.58	-0.07	-0.82
Political_Participation	165	49.14	49.99	331.99	18.22	9.44	100.00	0.16	-0.33
Political_Culture	165	56.00	53.48	262.67	16.20	12.50	100.00	0.52	0.32
Civil_Liberties	165	61.53	66.31	744.92	27.29	0.00	100.00	-0.35	-1.05

Source: Author.

Various descriptive statistics of democracy and governance data used within the scope of the research are given in Table 3. Descriptive statistical results were obtained for the two main variables and their 11 sub-dimensions. When the analysis results were evaluated, it was concluded that some of the 165 countries had 0 points and some 100 points in terms of governance and democracy indices. In addition, when the averages of these indices and their sub-dimensions were examined, it was observed that governance was 45 points and democracy was 55 points.

5.4. Analysis and Findings of the Study

Before testing the main hypothesis and 41 sub-hypotheses that support it, the relationship between governance and democracy variables and their

sub-dimensions was investigated statistically. The strength and direction of the correlation between the variables related to the correlation analysis were calculated. SPSS is used for correlation analysis, and in this analysis, Pearson correlation analysis is tested by the two-tailed analysis method. The correlation coefficients of the variables obtained as a result of the analysis are shown in Table 4.

Table 4: *Correlation analysis between variables*

Democracy and Its Sub-Dimensions Governance and Its Sub-Dimensions	DE- MOCRACY	Electoral Pluralism	Government Index	Political Participation	Political Culture	Civil Liberties
GOVERNANCE	.840**	.684**	.865**	.710**	.769**	.778**
Voice and Accountability	.972**	.883**	.904**	.853**	.758**	.929**
Political Stability	.761**	.635**	.807**	.579**	.692**	.707**
Government Effectiveness	.746**	.570**	.802**	.668**	.698**	.675**
Regulatory Quality	.761**	.662**	.746**	.624**	.627**	.737**
Rule of Law	.744**	.573**	.789**	.623**	.736**	.678**
Control of Corruption	.698**	.515**	.755**	.599**	.735**	.620**

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

Source: Author.

With correlation analysis, the linear relationship between 13 different variables was measured in a binary way. As a result of the Pearson correlation test conducted at 99% confidence level, it was concluded that the binary relationships of all variables are two-way and significant. The relationship coefficients of the analysis results given in Table 4, which are important for our study, are emphasised. Accordingly, the relationship between the Governance and Democracy variables and sub-variables with the other main dimension and its sub-variables were examined. When the results were examined, it was determined that there was a medium and high-level relationship between all variables. As a matter of fact, this result is empirically proved by the claims that suggest the existence of a theoretical relationship between governance and democracy.

It was determined that the results of the correlation analysis performed were quite satisfactory. Subsequently, the impact analysis (regression analysis) between variables shown in Figure 1 (research model) was made. The effect of all sub-dimensions of governance on all sub-dimensi-

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Table 5: Regression analysis results

Hip.	Independent_Variable	Dependent_Variable	Model_Sum.		Anova		Coefficients		
			R ²	Adj. R ²	F	Sig.	β	Std.Err	Sig.
H1	GOVERNANCE	DEMOCRACY	.706	.704	391.873	***	.840	.041	***
H2a	GOVERNANCE	Electoral_Pluralism	.468	.465	143.529	***	.684	.087	***
H2b		Government_Index	.749	.747	486.117	***	.865	.042	***
H2c		Political_Participation	.504	.501	165.862	***	.710	.044	***
H2d		Political_Culture	.591	.588	235.194	***	.769	.036	***
H2e		Civil_Liberties	.605	.603	249.898	***	.778	.059	***
H3a		Voice_Accountability	DEMOCRACY	.946	.945	2832.669	***	.972	.018
H3b	Political_Stability		.579	.576	223.719	***	.761	.051	***
H3c	Government_Effect.		.557	.554	204.812	***	.746	.042	***
H3d	Regulatory_Quality		.579	.576	223.744	***	.761	.048	***
H3e	Rule_of_Law		.553	.550	201.495	***	.744	.046	***
H3f	Control_of_Corruption		.487	.484	155.040	***	.698	.042	***
H4a	Voice_Accountability	Electoral_Pluralism	.780	.779	578.319	***	.883	.057	***
H4b	Political_Stability		.404	.400	110.338	***	.635	.097	***
H4c	Government_Effect.		.324	.320	78.279	***	.570	.084	***
H4d	Regulatory_Quality		.438	.435	127.150	***	.662	.089	***
H4e	Rule_of_Law		.328	.324	79.730	***	.573	.090	***
H4f	Control_of_Corruption		.265	.260	58.699	***	.515	.080	***

H5a	Voice_Accountability	Government_Index	.817	.816	726.536	***	.904	.036	***
H5b	Political_Stability		.652	.649	304.733	***	.807	.052	***
H5c	Government_Effect.		.644	.642	294.503	***	.802	.043	***
H5d	Regulatory_Quality		.556	.553	204.016	***	.746	.056	***
H5e	Rule_of_Law		.623	.621	269.567	***	.789	.047	***
H5f	Control_of_Corruption		.570	.567	216.158	***	.755	.043	***
H6a	Voice_Accountability	Political_Participation	.727	.726	434.535	***	.853	.033	***
H6b	Political_Stability		.335	.331	82.084	***	.579	.054	***
H6c	Government_Effect.		.446	.442	131.161	***	.668	.040	***
H6d	Regulatory_Quality		.390	.386	104.005	***	.624	.049	***
H6e	Rule_of_Law		.388	.384	103.300	***	.623	.045	***
H6f	Control_of_Corruption		.359	.355	91.123	***	.599	.039	***
H7a	Voice_Accountability	Political_Culture	.574	.571	219.506	***	.758	.037	***
H7b	Political_Stability		.479	.476	150.086	***	.692	.042	***
H7c	Government_Effect.		.487	.483	154.487	***	.698	.034	***
H7d	Regulatory_Quality		.394	.390	105.755	***	.627	.043	***
H7e	Rule_of_Law		.542	.539	192.586	***	.736	.034	***
H7f	Control_of_Corruption		.541	.538	191.778	***	.735	.030	***
H8a	Voice_Accountability	Civil_Liberties	.863	.862	1024.629	***	.929	.035	***
H8b	Political_Stability		.500	.497	162.724	***	.707	.070	***
H8c	Government_Effect.		.456	.452	136.415	***	.675	.059	***
H8d	Regulatory_Quality		.543	.540	193.288	***	.737	.063	***
H8e	Rule_of_Law		.460	.457	139.003	***	.678	.063	***
H8f	Control_of_Corruption		.384	.380	101.527	***	.620	.058	***

*** ≤ 0.001

Source: Author.

ons of democracy was also analysed. These hypotheses are to investigate the effect of each sub-dimension of governance on each sub-dimension of democracy. In H4 hypotheses, the effects of six sub-dimensions of governance on the dimension of “Electoral Pluralism” of democracy were examined. In the H5 hypotheses, the effect of six sub-dimensions of governance on the “Government Index” dimension of democracy was examined. In the H6 hypotheses, the effects of six sub-dimensions of governance on the “Political Participation” dimension of democracy were examined. In H7 hypotheses, the effects of six sub-dimensions of governance on the dimension of “Political Culture” of democracy were examined. Finally, in the H8 hypotheses, the effects of six sub-dimensions of governance on the “Civil Liberties” dimension of democracy were examined. Thus, a total of 42 different hypotheses were tested and various results were obtained. Regression analysis results are given in Table 5. Since the correlation values of each of the sub-dimensions of Governance and Democracy variables are high (Table 4), a simple linear regression was performed for each hypothesis instead of multiple linear regression to avoid multicollinearity (0.8 and more).

6. Discussion

As a result of the analysis, it has been observed that the governance quality of the countries has a significant and positive effect on the quality of democracy. This result shows that the Lipset/Aristotle hypothesis is not only theoretically accepted but also empirically verified. According to the results of the regression analysis, a 1 degree increase in the governance quality of the countries causes a 0.84 degree jump on the democracy qualities of the countries ($\beta=0,840$). As a result of the other 41 hypothesis tests conducted in order to analyse this hypothesis in more detail and to make the hypothesis test sound, it was concluded that if the quality of governance increases, the democracy quality of the countries will increase at various levels (0.51 – 0.97). The fact that the results of the analysis are highly reliable statistical significance degrees facilitates all our evaluations about the effect of governance on democracy. It is important to examine these results in more detail.

In the H2 hypothesis test, the significant effect of governance quality as a whole on each sub-dimension of the quality of democracy was investigated. According to this result, the successful position of countries in issues

such as freedom of expression, rule of law, political stability and prevention of corruption positively affects pluralism in the election processes in countries. Therefore, it can be argued that in countries where the rule of law is always guaranteed and freedom of expression is valued, it is the pre-acceptance of fair and lawful elections.

On the other hand, issues such as “government efficiency” and “regulatory quality” evaluated within the scope of governance are very important in the real implementation of democracy. As a matter of fact, the government’s ability to use this power without being bound by any tutelage, which shows that democracy is not just about elections and which people have been given the authority to rule as a result of the elections, and that people constantly feel the trust of the government in this process point to the effectiveness of the government, which is an important factor of governance. In addition, the absence of violence in the country and the existence of a stable management system will enable the elected government to use its powers effectively throughout the country, and the government to implement its public service policy.

Likewise, the active implementation of the rule of law, political accountability and fight against corruption, will increase the willingness of individuals to participate in politics and increase the interest and desire of individuals towards political and public issues. However, this willingness encourages individuals to participate in political life for democracy in real terms, beyond gaining more benefits from the political environment, that is, obtaining rent through political parties. As a matter of fact, such an environment will allow for the formation of a democratic culture and prioritisation of civil liberties at all times. In this way, the question of how democracy should be implemented for a long time (maybe since Ancient Greece) and the problems at this point will be solved.

As a result, creating free media, ensuring freedom of association and absolute freedom of expression, allowing citizens of a country to participate in the elections of their own government, eliminating the possibility of unconstitutional or violent dismissal of the government and political violence and terrorism, the ability to continue its services without being affected by pressures, to ensure the rule of law in all areas and to actively fight against all kinds of corruption, have a significant effect on the quality of democracy. In other words, high quality implementation of governance in a country will have a positive effect on increasing political participation in the country, improving political election processes and increasing pluralism, increasing the effectiveness of the government, the formation of a democratic culture, and the development and assurance of freedoms. Therefore, an increase in the

importance given to good governance principles and improvement efforts in this direction will have a positive effect on the quality of democracy.

If we really want to build democracy, we have to give importance to consensus, dialogue, reconciliation, participation and communication, that is, good governance.

The results of the research and analysis conducted within the scope of this study are to present a big picture (governance and democracy) only with certain outlines. As a matter of fact, examining the sub-dimensions of governance and democracy and statistically revealing the effect of governance on democracy reveals only the big picture. In fact, comparing the data of 165 countries over the last 10 years in terms of governance and democracy provides a relatively broad framework. However, if each country is examined individually and by considering the important political, social and economic events in the countries, more detailed results can be reached. Therefore, the impact of governance on democracy in each country can be examined in detail in terms of critical events and turning points. On the other hand, a different study can be done by including the effect of political management types of countries in the hypothesis tests conducted within the scope of this study. Indeed, the position of government systems (presidential system/parliamentary system) or state forms (unitary/federal) in the relationship between democracy and governance can be investigated. In addition, the effect of membership in international organisations (EU) on the relationship between these two variables can be examined. Thus, by drawing the small parts of the big picture that this study seeks to outline, new perspectives can be presented to the ongoing democracy debates since ancient Greece.

This study, which claims that the concept of governance has a significant and positive effect on democracy and seeks to prove it statistically, is the first study conducted on the topic because it is based on objective and provable data. Based on these results, we can say that democratisation and the quality of democracy will increase if countries attach importance to the phenomenon of good governance and ensure the structural arrangements (rule of law, transparency, etc.) required by this phenomenon. As a matter of fact, it is not possible to talk about the quality of democracy in a country where the law is not superior, there is no accountable public administration understanding, there is corruption in the state administration, freedom of expression is restricted, and there are acts of violence. Therefore, the way to realise democracy, which is considered the best form of management in terms of current systemic systems, is through governance.

7. Conclusion

As a result of the regression analysis, the main hypothesis of the study, “The governance quality of countries has a significant and positive effect on the quality of democracy” was supported ($\beta=0,840$ $p<0,001$). As a result of the other 41 sub-hypothesis tests conducted in order not to make the acceptance of this hypothesis superficial, all hypotheses were supported at the 99% confidence level. In addition, it was concluded that Model Summary (R², Adj. R²), Anova (F, Sig.) and Coefficients (β , t, Sig.) Values in all analysed hypothesis tests were quite satisfactory according to the goodness of fit values accepted in the literature (Chatterjee & Hadi, 2015; Pallant, 2017). Moreover, in all hypothesis test results, the beta (β) value was found to be quite high (all values above 0.5). Therefore, it was concluded that there was a statistically significant effect as well as a positive and high level of this effect. All the hypotheses put forward by this research have been confirmed. In fact, the confirmation of the H1 hypothesis could be considered sufficient, but since it was thought that it would not be sufficient on its own, the regressions of the sub-dimensions with the main dimensions and among themselves were also examined.

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EVALUATION OF THE DEMOCRACY AND GOVERNANCE RELATIONSHIP: AN EMPIRICAL ANALYSIS

Summary

Economic, social, political and technological developments around the world have greatly influenced the field of public administration, and new paradigms have been introduced accordingly. The Governance Approach, which was put forward by the World Bank and marked the restructuring reforms of the state in a short time, has become a new stage in the state-society relations. Instead of the management approach in which the state is accepted as the only actor in decision-making processes, the World Bank has put forward a participatory management approach. The governance approach, which deals with controversial issues such as changing the government-citizen relationship, strengthening democracy, improving the service delivery capacity of the government, and the rule of law, has the opportunity to be applied at global, national and local levels. Moreover, due to the governance approach, there has been a transition from the state-centred management approach to the democracy-centred management approach. Within the scope of this study, the effect of governance approach on democracy is investigated by focusing on the concepts of governance and democracy. Accordingly, the theoretical claim that governance has an impact on democracy is tested by various empirical analyses using quantitative data. The Worldwide Governance Indicator data published by the World Bank for 214 countries and the Democracy Index data prepared by The Economist Intelligent Unit for 165 countries were used in the analysis. Governance and democracy data for the last ten years (2009-2018) were included in the research. These data were prepared in six sub-dimensions for governance and five sub-dimensions for democracy. In this study, governance and democracy were analysed statistically with both main dimensions and sub-dimensions. Forty-two different hypotheses were tested within the scope of the research. As a result, it has been determined that govern-

ance and its six sub-dimensions have a very high effect on democracy and its five sub-dimensions.

Keywords: democracy index, determinants of democracy, governance indicators, good governance, statistical analysis

EVALUACIJA ODNOSA DEMOKRACIJE I UPRAVLJANJA: EMPIRIJSKA ANALIZA

Sažetak

Ekonomski, društveni, politički i tehnološki razvitak na globalnoj razini uvelike je utjecao na javnu upravu, na temelju čega su u to polje uvedene i nove paradigme. Pristup upravljanja koji je predložila Svjetska banka i koji se temeljio na kratkoročnim reformama restrukturiranja države postao je nova faza u odnosima države i društva. Umjesto pristupa upravljanju koji se temeljio na monopolu države u procesu donošenja odluka, novi je pristup poticao participatorni pristup. Taj novi pristup koji se bavi kontroverznim temama poput promjene u odnosima između vlade i građana, jačanja demokracije, poboljšanja vladinih kapaciteta pružanja usluga te vladavine prava može biti primijenjen na globalnim, nacionalnim i lokalnim razinama upravljanja. Uz to, dogodio se pomak s upravljanja utemeljenog na državi na upravljanje utemeljeno na demokraciji. U ovom se radu utjecaj pristupa upravljanja na demokraciju ispituje fokusiranjem na koncepte upravljanja i demokracije. Na temelju toga teorijske postavke o utjecaju upravljanja na demokraciju testirane su različitim empirijskim alatima. Analiza se temeljila na podacima iz The Worldwide Governance Indicators koji objavljuje Svjetska banka za 214 država i na temelju podataka iz The Democracy Indexa koji objavljuje The Economist Intelligent Unit za 165 država. U istraživanju su korišteni podaci za posljednjih deset godina (2009. – 2018.), podijeljeni u šest poddimenzija za upravljanje i pet poddimenzija za demokraciju. Testirane su 42 hipoteze, a kao rezultat zaključeno je da upravljanje sa svojih šest poddimenzija ima jako velik utjecaj na demokraciju i njezinih pet poddimenzija.

Ključne riječi: Democracy Index, odrednice demokracije, indikatori upravljanja, dobra vladavina, statistička analiza