# GOOD GOVERNANCE FOR BUILDING TRUST AND STRENGTHENING DEMOCRACY

No: 29-E/2026

ARGÜDEN
GOVERNANCE
ACADEMY
Good Governance for
Quality of Life

# Good governance for quality of life

# GOOD GOVERNANCE FOR BUILDING TRUST AND STRENGTHENING DEMOCRACY

## FROM PRINCIPLES TO PRACTICE

ARGÜDEN
GOVERNANCE
ACADEMY
Good Governance for
Quality of Life

**Argüden Governance Academy Publications**
**No:** 29-E

**Authors**
Dr. Yılmaz Argüden
Dr. Erkin Erimez
Dr. İnan İzci

**Argüden Governance Academy**
All rights reserved. No parts of this publication may be produced electronically or mechanically, photocopy, storage of records without the permission of the publisher.
Not for resale.

**ISBN: 978-605-2288-37-5**
**1. PUBLICATION:** December 2026

**Argüden Governance Academy**
Akasya Caddesi No:2 Göztepe Mah., Göksu Anadolu Hisarı,
34815 İstanbul, Türkiye Phone: +90 (216) 280 51 14
**www.argudenacademy.org**

# CONTENTS

05
PREFACE

07
THE TRUST DEFICIT: WHY DIAGNOSIS AND PRINCIPLES ARE NOT ENOUGH

10
PHILOSOPHICAL FOUNDATIONS: TRUST, LEGITIMACY AND GOVERNANCE

16
THE STRUCTURAL OBSTACLES: WHY PUBLIC GOVERNANCE RESISTS IMPROVEMENT

19
MEASURING HOW GOVERNANCE IS CONDUCTED, NOT ONLY HOW IT IS PERCEIVED

25
LEARNING FROM PEERS: BENCHMARKING FOR CONTINUOUS LEARNING

28
FROM PRINCIPLES TO EVERYDAY PRACTICE: GUIDELINES FOR TRUST

34
INCENTIVES AND TIME HORIZONS: REWARDING LONG-TERM STEWARDSHIP

38
A SHARED AGENDA: COLLECTIVE ACTION FOR TRUST AND DEMOCRACY

45
WHAT DIFFERENT ACTORS CAN DO NOW

48
CONCLUSION: TRUST IS BUILT ONE DECISION AT A TIME

50
REFERENCES

# PREFACE

Globally, research after research confirms that trust in democratic institutions is declining, and by now the reasons are reasonably well documented and understood. What we lack is a way to practically change how institutions work in everyday life and to prove that they are increasing the trust of people. This book is about that missing step.

Across OECD countries, more people now have low or no trust in their national government (43%) than have high or moderately high trust (40%).[1] The Council of Europe's Secretary General has made rebuilding trust the explicit ambition of the New Democratic Pact for Europe.[2] There is broad agreement on the diagnosis and on the principles. On results, there is not yet much to show.

The argument of this book can be put in one sentence: **trust follows trustworthiness, and trustworthiness is built in processes.** It is built on how an agenda is set, how evidence is gathered, how affected groups are heard or considered, how resources are allocated, how services are delivered, how results are reported, and how failures are admitted and corrected. These steps can be described, observed and compared. What can be observed can be learned from. What can be learned from can be improved. Trust, however, is not the final goal. It is the foundation on which quality of life and sustainable development is built, it lowers the cost of cooperation, makes long-term investment possible and allows society to settle its disagreements without breaking apart.[3]

The book therefore argues for four shifts in mindset and focus:

1. **Shift attention from perception to practice.** Perception surveys tell us *what* citizens feel. We also need evidence of *how* governance is conducted, because that is where the causes lie and where action is possible.
2. **Build comparability without uniformity.** Public institutions differ by country, size and mandate. Yet, performance is *multi-dimensional* and *context specific*. Comparing *how* they govern, rather than *what* they achieve, makes fair comparison possible across these differences.
3. **Turn principles into everyday routines.** Guidelines that translate transparency, accountability and participation into concrete steps make good governance teachable, checkable and habitual.
4. **Change the incentives.** If the time horizon of most actors ends at the next election, long-term public value will be under-delivered. Measurement, recognition, funding and oversight must be rewarded by stewardship beyond the electoral cycle through better governance.

***The argument of this book can be put in one sentence: trust follows trustworthiness, and trustworthiness is built in processes.***

***If the time horizon of most actors ends at the next election, long-term public value will be under-delivered. Measurement, recognition, funding and oversight must be rewarded by stewardship beyond the electoral cycle through better governance.***

1 OECD (2026), *Survey on Drivers of Trust.*

2 Council of Europe (2026), *The New Democratic Pact for Europe in Times of Rupture.*

3 Argüden (2011), *Keys to Governance.*

***As a classic Greek image reminds us, kybernáo or kybernan, the root of the word governance, means to steer a ship. Steering requires instruments. Democracies today have good maps of their destination and good alarms that warn of danger. What they still need are better instruments on the bridge.***

Running through all four shifts is a simple discipline: judging every rule, program and decision over its whole life cycle. A regulation is not only a text on the day it is adopted. It is also the compliance effort it demands from citizens and companies, the enforcement capacity it requires from the state for years to come, and the behavior it encourages or discourages long after its rule makers have moved on. When these costs are ignored, rules multiply, enforcement becomes uneven, honest actors carry the burden while others exploit the gaps, and trust erodes quietly.[4]

The ideas presented here draw on more than a decade of applied work in measuring governance in local public institutions, designing participatory processes, assessing the quality of decision-making in post-disaster reconstruction and developing practical guidelines for public bodies, as well as on the work of the OECD, the Council of Europe, the United Nations and a wide body of scholars. They are offered as a contribution to a conversation that many institutions are now having at the same time, including the consultation on the New Democratic Pact for Europe and the OECD's work on reinforcing democracy.

Timing matters. On 12 October 2026, opening the OECD Global Forum on Building Trust and Reinforcing Democracy in Paris, held under the theme *Government Unstuck: Resilient Democracies in a Fast-Changing World*, the OECD Secretary-General set out what governments need to do to rebuild trust. They need to listen and engage meaningfully. They need to simplify government processes. They need to restore fiscal space, so that they can invest in future readiness, use resources more effectively and take a longer view of impacts. And they need to anticipate better and act earlier, using foresight to identify priorities and to build consensus for resilience.[5]

These priorities did not emerge overnight. They reflect an understanding that has developed over years across governments, international organizations, think tanks, universities, businesses and civil society. Although approaching the issue from different perspectives and often in considerable detail, these communities have reached similar conclusions: trust is earned through the quality of processes; citizens must be heard and shown how their input was used; rules must be assessed against their full costs and benefits over time; and institutions must look beyond short-term results. When different actors independently arrive at the same conclusions, the case for collective action grows stronger. This book calls for turning that shared understanding into shared practice across sectors and borders.

As a classic Greek image reminds us, *kybernáo* or *kybernan*, the root of the word governance, means to steer a ship. Steering requires instruments. Democracies today have good maps of their destination and good alarms that warn of danger. What they still need are better instruments on the bridge.

4 Argüden (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification*; Argüden et al. (2024), *Civil Engagement Model.*

5 OECD (2026), *Global Forum on Building Trust and Reinforcing Democracy.*

# THE TRUST DEFICIT: WHY DIAGNOSIS AND PRINCIPLES ARE NOT ENOUGH

Democracies are not losing faith in democratic values and ideals; they are losing faith in how those ideals are being practiced. Long-run survey evidence shows that support for democratic values has held up among citizens across countries, while trust in representative institutions has eroded.[6] The problem is one of delivery and conduct, not of values.

***Democracies are not losing faith in democratic values and ideals; they are losing faith in how those ideals are being practiced. Long-run survey evidence shows that support for democratic values has held up among citizens across countries, while trust in representative institutions has eroded. The problem is one of delivery and conduct, not of values.***

## 1. WHAT THE EVIDENCE TELLS US ABOUT THE CURRENT SITUATION

**Trust levels matter.** The OECD's third Trust Survey, conducted in 2025 across 38 countries, finds that trust in national government has stabilized at about 40%. Trust in the police, courts, and civil service remains higher.[7] **A consistent pattern prevails.** Institutions perceived as rule-bound and impartial are trusted more than those perceived as partisan and unresponsive to changing demands.

The survey also identifies what *drives* trust. The OECD groups these drivers into five dimensions: reliability, responsiveness, integrity, openness and fairness.[8] Across three survey waves, factors such as evidence-based decision-making, having a say, balancing the interests of different groups, accountability of government and resistance to undue lobbying weigh more heavily than satisfaction with administrative services. Only about 30% of citizens feel the political system lets them have a say in what government does.[9] The gap is striking among those who feel that people like them have a say, 69% trust the national government; among those who feel they do not, only 22% do.[10]

This matters. For decades, many reform programs assumed that better services would produce more trust. Better services matter, but trust depends even more on *how* decisions are made and *whose* interests are weighed.

6 Valgarðsson et al. (2025), "A Crisis of Political Trust?"

7 OECD (2026), *Survey on Drivers of Trust in Public Institutions.*

8 Ibid.

9 Ibid.

10 Ibid.

## 2. FORCES THAT ERODE TRUST

The literature and recent surveys point to a set of mutually reinforcing forces:

| Force | What it does to trust | Illustrative source |
|---|---|---|
| **Crises and scandals** | Sharp falls that rarely fully recover (e.g., after 2008 economic crisis) | Valgarðsson et al. (2025) |
| **Weakening checks and balances** | Fear that rights are no longer protected by independent bodies | The Council of Europe (2025) |
| **Partisan polarization** | Trust follows party identity rather than conduct | Pew Research Center (2025); OECD (2026) |
| **Information disorder** | Shared facts erode; manipulation becomes a weapon for political ends | Edelman (2026); the Council of Europe (2026) |
| **Participation gap** | Citizens feel unheard and get no feedback on their input | OECD (2026) |
| **Integrity doubts** | Belief that decisions serve narrow interests rather than public in general | OECD (2026) |
| **Weak long-term capacity** | Failure on climate, migration, Artificial Intelligence (AI), demography | OECD (2022) |

Behind these visible forces stand less visible ones, found repeatedly in applied governance assessments: silo thinking across departments and time horizons; decisions taken without evidence, benchmarking or impact analysis; slow or opaque handling of complaints; exclusionary policy design; participation that is consultative in form but not inclusive, meaningful, and effective; and, above all, the absence of any routine for measuring and improving the quality of governance itself.[11]

Two further forces are rarely named. The first is the neglect of compliance and enforcement costs. When rules are written without asking what it will take to comply with them and to enforce them fairly, honest actors lose competitiveness while those willing to bend the rules gain from uneven enforcement. Both outcomes erode trust and ethical conduct.[12] The second is the slow accumulation of rules whose long-term effects were never assessed: oversight burdens that keep growing inside the public sector, resources diverted from investment to paperwork, and unintended consequences such as loss of innovative spirit and start-ups that surface only years later.[13]

11 Argüden et al. (2024), *Civil Engagement Model.*

12 Ibid.

13 Argüden (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification.*

## 3. WHY THE CURRENT RESPONSES FALL SHORT

The international responses to the decline of trust have produced three valuable things: rich diagnoses, widely endorsed values and principles, and perception indices that track public sentiment. Each is necessary, but none is sufficient on its own.

- **Diagnoses** explain the decline but do not tell the mayor, a ministry or a parliament what to change on Monday morning in practical terms.
- **Principles** such as the Council of Europe's the Reykjavík Principles for Democracy (2023) and 12 Principles of Good Democratic Governance define the destination but leave open how to translate them into routines.[14]
- **Perception indices** are lagging indicators, and they are also heavily influenced by recent events. A *lagging indicator* records the effect of something after it has happened. Trust is formed through experience over time, so a perception score tells us that something has gone wrong, often years after it started, without showing which process failed.

What is missing is a set of *leading indicators*: measures of the processes that produce trust, which can warn early and guide correction. Chapters 4 to 7 propose how to build them, and how to use them for learning and for incentives.

Such a focus would turn an abstract crisis into actionable work, and it is also aligned with the OECD's own finding that process-related drivers dominate.[15] Some argue the trust deficit is driven mainly by economic insecurity and inequality, so process reforms address symptoms.[16] The response in this book is that process quality is also what determines whether economic policies are fair and credible; the two are not alternatives.

14 Council of Europe (2008), *Strategy on Innovation and Good Governance at Local Level*; Council of Europe (2023), *Reykjavík Declaration*.

15 OECD (2026), *Survey on Drivers of Trust in Public Institutions*.

16 See Valgarðsson et al. (2025), "A Crisis of Political Trust?" (on regional and economic variation).

# PHILOSOPHICAL FOUNDATIONS: TRUST, LEGITIMACY AND GOVERNANCE

***Democratic legitimacy rests on a simple bargain: citizens entrust authority and resources to those who govern, and in return expect them to be used competently, fairly and for the common good. Good governance is the discipline of honoring trust in every decision and practice, not only at election time.***

Democratic legitimacy rests on a simple bargain: citizens entrust authority and resources to those who govern, and in return expect them to be used competently, fairly and for the common good. Good governance is the discipline of honoring trust in every decision and practice, not only at election time.

## 1. FROM STEERING TO GOOD STEERING

The term *governance* derives from the Greek *kybernáo* or *kybernan*, meaning "to steer a ship", a metaphor Plato used for governing a community, and later entered Latin as *gubernare*. Steering is an ongoing process: a helmsman continually adjusts courses using instruments and feedback. Likewise, democracy is not a single act of choosing a captain and a team; it is the continuous practice of steering, monitoring, and correcting.

Two concepts need to be kept apart:

- **Governance** is descriptive. It describes how an institution is directed and controlled: who decides, by what rules, with what information, and how decisions are checked.
- **Good governance** is evaluative: it assesses how effectively this steering adheres to agreed ethical standards and principles of transparency, accountability, fairness and participation.

The distinction matters for measurement. We can describe and compare *how* governance is conducted across very different institutions, even when their results cannot be compared directly.

## 2. ENTRUSTED AUTHORITY AND RESOURCES

In a democracy, sovereignty belongs to citizens. Through elections, they entrust authority to representatives, who in turn delegate it to appointed officials; through taxes, they provide the resources for public budgets. This relationship resembles that between shareholders and a board of directors: authority is delegated, but ownership remains with the citizens. The quality

of governance therefore depends on three questions: *toward what ends are entrusted authority and resources directed, how are they used,* and *what results do they produce*?

This framing has a practical consequence. If citizens are owners, they are entitled not only to outcomes but to visibility and engagement into the process: to *know how decisions were reached, what alternatives were considered, who was consulted, how their views were used and what actions followed.*

This takes us to the foundational question: Why do societies create institutions at all? For two basic reasons: ***to use resources more effectively*** than individuals could alone, and ***to manage risks better***, so that value can be created and sustained over time. An institution that is not trusted by its stakeholders can achieve neither purpose[17], resulting in loss of legitimacy and power to run the collective affairs of a society.

Delegation, however, has known potential risks and costs. Once authority is entrusted to individuals, through elections or appointments, the institution becomes exposed to their human weaknesses: short-termism, disregard for the effects of decisions on others, over-confidence, self-interest and, at worst, the pursuit of private agendas. Lord Acton's warning that power tends to corrupt is the oldest summary of this problem: "Power corrupts and absolute power corrupts absolutely". Good governance responds to these risks with two functions: providing direction and providing oversight. Keeping these functions distinct from day-to-day management is what makes good management sustainable. In this sense, good governance protects humanity from the deficiencies of human beings.[18]

***Every official (elected or appointed) who makes decisions with resources that belong to others, and whose decisions affect others, has two basic duties: to protect the assets entrusted to the institution, and to create value with them in a sustainable manner.***

Every official (elected or appointed) who makes decisions with resources that belong to others, and whose decisions affect others, has two basic duties: to protect the assets entrusted to the institution, and to create value with them in a sustainable manner. These assets are not only financial. They include people, physical and natural assets, and the social and intellectual capital of the institution and the community. An institution that balances its budget while the wellbeing of citizens, the natural environment or the trust of the community deteriorates has not protected its assets but has only hidden or failed to report the losses transparently. Decisions affect each class of assets and each group of stakeholders, differently. Unless these differences are measured and shared transparently, neither trust nor better solutions will follow, because what is not measured cannot be improved.[19]

## 3. TRUST AND TRUSTWORTHINESS

The philosopher Onora O'Neill argued that the goal should not be to increase trust as such, but to make institutions *trustworthy* and to give citizens the means to judge that trustworthiness.[20] Blind trust is as dangerous as blind distrust. What democracies need is *intelligent trust*: trust that is earned, checkable and revocable.

17 Argüden et al. (2024), *Civil Engagement Model.*

18 Ibid.

19 Argüden and Erimez (2023), *Integrated Reporting for Public Sector.*

20 O'Neill (2002), *A Question of Trust.*

***Public life is consists of repeated games rather than a single transaction: trust gained or lost in one round shapes the next.***

O'Neill also warned against crude accountability regimes that multiply targets and audits without improving conduct. She called instead for *intelligent accountability*: accountability that is informed by the substance of the work and that strengthens, rather than replaces, professional judgment. This book's emphasis on measuring the conduct of governance processes is an attempt to make accountability intelligent in this sense.

## 4. THREE SOURCES OF LEGITIMACY

Political science distinguishes three sources of democratic legitimacy:

| Source | Question it answers | Typical measure |
|---|---|---|
| **Input legitimacy** | Is government by the people? | Free elections, representation[21] |
| **Output legitimacy** | Is government for the people? | Results, services, outcomes[22] |
| **Throughput legitimacy** | Is governing done with the people, properly? | Quality of processes: openness, inclusiveness, accountability[23] |

Most measurements focus on inputs, such as elections and freedoms, or outputs, such as performance and satisfaction. Vivien Schmidt identifies *throughput (the quality of the processes between voting and results) as* a separate source of legitimacy. Sound processes may attract little notice, but opacity, capture and arbitrariness can quickly undermine legitimacy. Process-based governance measurement is designed to assess this middle ground.

Research on procedural justice supports this. People are more willing to accept and comply with decisions, even unfavorable ones, when they believe the procedure was fair and they were treated with respect.[24] Fair process, in other words, is a condition of effective government rather than a courtesy.

## 5. TRUST AS A REPEATED GAME

**Public life is consists of repeated games rather than a single transaction: trust gained or lost in one round shapes the next.[25] A low-trust society behaves like a machine with a high-friction coefficient: more energy is needed to get anything done, because every actor must protect itself against the others. Rebuilding trust lowers the cost of every future reform.**

This is why *how* a result is achieved matters as much as *what* is achieved. A result obtained by cutting corners may look like a gain in this round; its cost is paid in every round that follows.[26] Over time, cumulative erosion ends up undermining the trust in democratic institutions.

This connects to the institutional economics of Acemoglu, Johnson and Robinson, recognized with the 2024 Nobel Prize in Economics, who showed that inclusive institutions (rule of law, secure rights, checks and balances) underpin long-run prosperity.[27] Inclusive institutions are sustained by citizens' trust in the state and in each other which provide the necessary foundation of living in harmony with differences.

21 Scharpf (1999), *Governing in Europe.*

22 Ibid.

23 Schmidt (2013), "Democracy and Legitimacy in the European Union Revisited."

24 Tyler (1990), *Why People Obey the Law.*

25 Axelrod (1984), *The Evolution of Cooperation.*

26 Argüden et al. (2024), *Civil Engagement Model.*

27 Acemoglu and Robinson (2012), *Why Nations Fail.*

## 6. PRINCIPLES AS AN INTEGRATED WHOLE

Good governance principles are interdependent. Transparency enables accountability; participation supports fairness; consistency makes institutions predictable. Strength in one principle cannot compensate for weakness in another: a participatory process without administrative capacity disappoints; an efficient administration without transparency invites suspicion.

For the same reason, **good governance is more than structures, rules and procedures. It is a culture and a climate in which these principles are practiced throughout the institution and, over time, throughout society.**[28]

The CRAFTED principles, developed through applied governance work and used in several measurement tools discussed later, provide one way to express this integrated approach. Each principle corresponds to a core democratic value:

| Principle | Democratic value it serves |
|---|---|
| **C**onsistency | Rule of law and predictability of public action |
| **R**esponsibility and responsiveness | Foresight and duty to future generations and affected groups |
| **A**ccountability | Checks and balances over delegated power |
| **F**airness and inclusiveness | Democratic equality before public institutions, including the minorities |
| **T**ransparency | Informed public deliberation and evaluation |
| **E**ffectiveness and efficiency | Output legitimacy: the capacity to solve problems with minimum necessary resources |
| **D**eployment/Inclusive and Meaningful Engagement | Voice beyond the ballot box along different policy cycles |

These principles overlap substantially with the Council of Europe's 12 Principles of Good Democratic Governance,[29] the OECD Recommendation of the Council on Regulatory Policy and Governance,[30] and with the UN Principles of Effective Governance for Sustainable Development.[31] The value of any such set lies less in its wording than in whether it is applied *together*, across *all* the processes of an institution. Section 7 sets out what each principle asks of those who govern.

**Anchoring governance in delegated ownership and throughput legitimacy gives a principled basis for citizens' right to examine processes and evaluate them, not only results.** However, we need to make sure that procedural emphasis does not become proceduralism, where boxes are ticked while substance suffers.[32] The answer is to measure process *and* link it to learning, as later chapters propose. A rule that is followed in letter but not in spirit produces paperwork, not trust; what matters is whether the purpose behind each principle is served.

28 Argüden et al. (2024), *Civil Engagement Model.*

29 Council of Europe (2008), *Strategy on Innovation and Good Governance at Local Level.*

30 OECD (2012), *Recommendation on Regulatory Policy and Governance.*

31 United Nations Committee of Experts (2018), *Principles of Effective Governance for Sustainable Development.*

32 O'Neill (2002), *A Question of Trust*; Bevan and Hood (2006), "What's Measured Is What Matters."

## 7. WHAT THE CRAFTED PRINCIPLES ASK OF THOSE WHO GOVERN

Principles are easy to endorse discursively or legally but hard to practice. The acronym is apt: good governance is CRAFTED. It is built deliberately, practiced daily and maintained with care and continuously improved. Stated in plain terms, each principle asks something specific of a government or public institution.[33]

**Consistency.** The communication and behavior of a public institution shape not only how its own resources are used, but how citizens, companies and other institutions plan and invest. Policies that are consistent with each other, with plans and budgets, and with the law allow the right expectations to form throughout society. Predictability is a public good: it lowers the cost of every private decision and makes the whole of society stronger.

**Responsibility and responsiveness.** Creating value requires initiative, and initiative involves measured risk-taking. In the public sector, however, the cost of risks taken today may fall for future generations. Responsibility therefore means weighing the interests of all current and future stakeholders in every significant decision. Responsiveness means anticipating needs and acting early, rather than reacting late. Fire prevention rather than firefighting.

**Accountability.** Those entrusted with authority and resources must explain how they have used them and accept the questioning and consequences. Being accountable to all citizens, not only to supporters, is what sustains a government's legitimacy and access to public resources, and, in a democracy, what earns re-election.

**Fairness and inclusiveness.** Citizens and businesses must be treated consistently, regardless of background, identity or political preference, and groups without an organized voice, including minorities and future generations, must be heard. Fairness is what allows those who face losses from a particular decision to accept it.

**Transparency.** Transparency in relationships is the key to earning trust. It means sharing material information, including information about failures, in a form that people can understand and use. Publishing documents is not the same as being transparent. It requires proactive efforts.

**Effectiveness and efficiency.** Success requires using the resources entrusted to government well. Effectiveness asks whether the right things are being done; efficiency asks whether they are being done without waste. Both are measured against the institution's purpose, not against its activity. Measurement of success demands more than results but measured and communicated impacts.

33 Argüden (2011), *Keys to Governance*; Argüden and Erimez (2023), *Integrated Reporting for Public Sector.*

**Deployment/Inclusive and Meaningful Engagement.** Principles have little value if they live only in mission statements and speeches. Deployment/Inclusive and Meaningful Engagement means that they are practiced throughout the institution, in every process and at every level, and extended to the wider community through participation and representation as well as continuous engagement and learning. Sustained success requires continuous improvement and innovation, and both depend on the participation and involvement of all concerned. Deployment/Inclusive and Meaningful Engagement is what turns principles into culture and everyday practice.

***Governance is the framework of guidance and oversight over all decisions that have economic, environmental and social impacts; a more accurate shorthand for sustainability is therefore G(EES), the governance of economic, environmental and social impacts.***

The seven principles also correspond closely to what citizens themselves say drives their trust. The OECD groups the drivers of trust into two dimensions: competence, covering responsiveness and reliability, and values, covering integrity, openness and fairness.[34] The correspondence below is an interpretation rather than a formal equivalence, but it suggests that improving the conduct of governance along the CRAFTED principles works on exactly the levers that citizens care about.

| OECD dimension | Driver of trust | CRAFTED principles most directly engaged |
|---|---|---|
| Competence | Responsiveness | Responsibility and responsiveness; effectiveness and efficiency |
| Competence | Reliability | Consistency; responsibility (anticipating needs, managing risks) |
| Values | Integrity | Accountability; transparency |
| Values | Openness | Transparency; Deployment/Inclusive and Meaningful Engagement |
| Values | Fairness | Fairness and inclusiveness; consistency (equal treatment) |

The same logic carries a caution. The principles reinforce each other only when they are applied together. A government that is transparent but inconsistent, or participatory but ineffective will not earn trust. This is why the measurement approaches described in Chapter 4 assess all seven principles across all processes and steps, rather than selecting a convenient or selective few.

A related point concerns where governance is placed. In the private sector, governance is usually reported as the "G" in ESG, as if it were one more impact area alongside the environment and society. That framing understates its role. **Governance is the framework of guidance and oversight over all decisions that have economic, environmental and social impacts; a more accurate shorthand is therefore G(EES), the governance of economic, environmental and social impacts.**[35] The same holds for the public sector. Good governance is not a policy area competing for attention with health, education or climate; it is the way each of those policies is steered for the common benefit through better public value creation.

34 Brezzi et al. (2021), "An Updated OECD Framework on Drivers of Trust."

35 Argüden et al. (2024), *The Future of Governance is Transformational.*

# THE STRUCTURAL OBSTACLES: WHY PUBLIC GOVERNANCE RESISTS IMPROVEMENT

***Three structural features of the public sector make continuous improvement unusually hard: performance is multi-dimensional, it is context-specific, and the time horizon of decisionmakers is shorter than the time horizon of their decisions. Unless these are addressed directly, good intentions and much effort will keep producing disappointing results.***

Three structural features of the public sector make continuous improvement unusually hard: performance is multi-dimensional, it is context-specific, and the time horizon of decisionmakers is shorter than the time horizon of their decisions. Unless these are addressed directly, good intentions and much effort will keep producing disappointing results.

## 1. PERFORMANCE IS MULTI-DIMENSIONAL

A company can, at least in principle, summarize its success through a small set of financial metrics; a public institution cannot. A municipality must simultaneously pursue efficiency, fairness across neighborhoods, environmental responsibility, responsive complaint handling, transparent procurement and protection for vulnerable groups. Because these goals can conflict, public institutions must navigate difficult trade-offs.

Economists have shown what happens when only some dimensions of a multi-task job are measured and rewarded: effort shifts toward what is measured and away from what is not.[36] In the public sector, this is visible when waiting-time targets improve while quality of care declines, a pattern documented in the English health service.[37] Two related laws summarize the risk:

- **Goodhart's law:** when a measure becomes a target, it ceases to be a good measure.[38]
- **Campbell's law:** the more a quantitative indicator is used for social decision-making, the more it is subject to corruption pressure and the more it distorts the processes it was meant to monitor.[39]

The lesson is not to measure less, but to measure the right things in the right way: broadly, across all dimensions, and with an emphasis on learning from the results rather than punishment.

36 Holmström and Milgrom (1991), "Multitask Principal–Agent Analyses."

37 Bevan and Hood (2006), "What's Measured Is What Matters."

38 Goodhart (1975), "Problems of Monetary Management."

39 Campbell (1979), "Assessing the Impact of Planned Social Change."

## 2. PERFORMANCE IS CONTEXT-SPECIFIC

Outcomes in the public sector depend heavily on factors outside an institution's control: demography, geography, wealth, legal mandate, fiscal autonomy, and the inherited state of infrastructure. A rural municipality with an ageing population and a metropolitan district with a young, mobile population cannot be meaningfully ranked on outcomes alone. Neither can countries with different constitutional arrangements.

This is why most international comparisons fall back on one of two approaches:

- **Perception-based composites**, such as the World Bank's Worldwide Governance Indicators or Transparency International's Corruption Perceptions Index, which aggregate surveys of experts, businesses and households.
- **Expert assessments**, such as V-Dem, the Bertelsmann Transformation Index or International IDEA's Global State of Democracy indices, which code countries against detailed questionnaires.

Both are valuable for tracking broad trends. But they operate mostly at national level, measuring perceptions or expert judgments rather than observable practice, and rarely tell an individual institution what to change practically.

## 3. WITHOUT COMPARISON, THERE IS LITTLE LEARNING

As outcomes are hard to compare, many public institutions are never compared at all. This has a high cost. Learning in complex systems is largely comparative: we discover what is possible by seeing what others have achieved under similar constraints. Total quality management, from Deming's Plan-Do-Check-Act cycle onward, rests on this logic.[40] Education systems learned a great deal once comparable assessments such as PISA (Programe for International Student Assessment) revealed which practices traveled across countries.[41]

***Learning in complex systems is largely comparative: we discover what is possible by seeing what others have achieved under similar constraints.***

The absence of fair benchmarking has three consequences:

1. Good practice remains local and invisible.
2. Weak practice is not recognized as weak, because there is no reference point.
3. Reformers lack evidence to persuade skeptical colleagues and voters.

Overall, comparison without right measurement prevents learning and improving.

40 Deming (1986), *Out of the Crisis.*

41 OECD (2019), *PISA 2018 Results.*

***For most actors in the system, the effective horizon is the next election, typically four to five years. Many of the most consequential public decisions, on pensions, climate, infrastructure, education and public debt, have costs and benefits that unfold over decades.***

## 4. THE HORIZON PROBLEM

The most serious obstacle is temporal. For most actors in the system, the effective horizon is the next election, typically four to five years. Many of the most consequential public decisions, on pensions, climate, infrastructure, education and public debt, have costs and benefits that unfold over decades. Thus, these actors shy away taking decisions with long-term effects which are unavoidable. Overtime, this results in accumulation of structural problems and systemic failings.

Political economists have long described a *political business cycle*: a tendency to time visible benefits before elections and defer costs until after.[42] More broadly, the electoral horizon creates systematic bias toward:

- projects that can be inaugurated within a term over maintenance and prevention, which are invisible;
- spending that benefits organized groups today over investment that benefits unorganized or unborn groups tomorrow;
- announcements over implementation, because implementation is slow and its credit often goes to successors.

The OECD Trust Survey shows that citizens notice: the perceived ability of government to balance the interests of different groups and generations is one of the factors associated with trust.[43]

## 5. FOCUS ON "GOVERNANCE" BEFORE "PERFORMANCE"

Addressing these inefficiencies depends on measuring and evaluating the governance quality. Better quality of governance ensures better results, but specific obstacles need to be overcome.

These three obstacles point to three design requirements for any serious reform agenda:

Naming these obstacles explicitly explains why decades of well-meant reforms have had limited impact and directs effort to where it can work. Some scholars argue that the horizon problem is inherent to electoral democracy and can only be managed by delegating to independent bodies (e.g., central banks), which carries its own democratic-deficit risk.[44] This book argues for a complementary route: changing what is visible and rewarded within politics itself.

42 Nordhaus (1975), "The Political Business Cycle."

43 OECD (2026), *Survey on Drivers of Trust in Public Institutions.*

44 Vibert (2007), *The Rise of the Unelected.*

| Obstacle | Design requirement | Addressed in |
|---|---|---|
| **Multi-dimensional performance** | Measure governance holistically, across all principles and processes, not a few targets | Chapter 4 |
| **Context-specific performance** | Compare how institutions govern, which is far less context-dependent than what they achieve | Chapters 4 and 5 |
| **Short horizons** | Make long-term stewardship visible and rewarded within the electoral cycle | Chapter 7 |

# MEASURING HOW GOVERNANCE IS CONDUCTED, NOT ONLY HOW IT IS PERCEIVED

Perception of citizens or experts tell us *that* something is wrong; process measurement tells us *where* and *how* to fix it. Democracies need both, used together: perception as the result indicator, process quality as the leading indicator.

## 1. THE LANDSCAPE OF GOVERNANCE MEASUREMENT

The table below summarizes the main families of tools in use today.[45]

| Approach | Examples | Level | What is measured | How trust is treated? |
|---|---|---|---|---|
| **Perception composites** | Worldwide Governance Indicators (World Bank); Corruption Perceptions Index (Transparency International) | Country | Aggregated perceptions of governance and corruption | Not measured directly |
| **Expert assessments** | V-Dem; Bertelsmann Transformation Index; Global State of Democracy (International IDEA) | Country | Expert-coded quality of democracy and governance | Not measured directly |
| **Trust surveys** | OECD Survey on Drivers of Trust in Public Institutions | Country | Citizen perceptions of trust and its drivers | Measured as perception |
| **System diagnostics** | PEFA (public finance); SIGMA Principles of Public Administration (OECD–EU) | Country, some local | Public finance and administration systems against standards | Not addressed |
| **Regional perception index** | European Quality of Government Index (University of Gothenburg) | EU regions | Perceived quality, impartiality, corruption | Indirect |
| **Local self-assessment** | State of Local Democracy (International IDEA); Local Integrity System (Transparency International) | Single locality | Qualitative assessment and integrity indicators | Indirect |
| **Label of excellence** | European Label of Governance Excellence, ELoGE (Council of Europe) | Local | Compliance with 12 Principles via self-assessment and surveys | Partly and self-evaluation, via surveys and based on public disclosures |

45 Sources used to compile the table: World Bank (2025); Transparency International (2025); V-Dem Institute (2025); International IDEA (2025); OECD (2026); PEFA Secretariat (2018); OECD SIGMA (2023); QoG Institute (2024); Kemp and Jiménez (2013); Transparency International (2014); Council of Europe (2008).

Two gaps stand out. First, very few tools observe the actual *conduct* of governance processes, step by step. Second, those that do (local integrity assessments, self-assessment labels) are usually designed for depth in one place, which limits comparison across places.

Francis Fukuyama made a similar point more than a decade ago, arguing that governance measurement relied too heavily on perceptions and outcomes, and should give more attention to procedures and capacity.[46] The approach proposed here takes that argument seriously.

***Outcomes differ because contexts differ. Decisionmakers face different issues with varying degrees in different places. But the management processes and steps of good governance are remarkably similar across institutions.***

## 2. THE CORE IDEA: COMPARE HOW, NOT WHAT

Outcomes differ because contexts differ. Decisionmakers face different issues with varying degrees in different places. But the management *processes and steps* of good governance are remarkably similar across institutions. Every public body sets an agenda, takes decisions, allocates resources, undertakes various activities, delivers services and evaluates results. In each of these processes, one can ask the same observable questions:

- Was the issue placed on the agenda through a transparent, inclusive and participatory route?
- Was evidence gathered for forming options and were alternatives assessed before deciding?
- Were affected groups identified and heard, and were they told how their views were used?
- Were short-, medium- and long-term effects taken into account, and effects on different groups were considered?
- Were the reasons for the decision published in understandable form and accessible manner?
- Were results compared with targets, and were deviations explained with fact-based reasons?
- Were lessons fed back into the next cycle for continuous improvement?

These questions apply equally to a small municipality and to a national ministry, in Lisbon or in Ankara. Their answers are matters of evidence and record rather than opinion, so anyone who looks can verify them objectively across different institutions. That is what makes fair comparison possible across geographies and institutional systems. Also such an approach allows peer-learning from good practices or lesson-learning from inefficiencies.

46 Fukuyama (2013), "What Is Governance?"

## 3. A THREE-DIMENSIONAL MEASUREMENT FRAMEWORK

Applied work over the past decade has converged on a framework with three dimensions, combined through *integrated thinking*, meaning the simultaneous consideration of all affected stakeholders, all relevant dimensions (economic, social, environmental, cultural) and different time horizons in every decision.[47]

| Dimension | Components |
|---|---|
| **Governance principles** | Consistency; responsibility and responsiveness; accountability; fairness and inclusiveness; transparency; effectiveness and efficiency; participation and representation |
| **Management processes and governance steps** | Agenda-setting and decision-making; resource use; service delivery; institutional functioning and capacity |
| **Institutional learning cycle** | Structure and direction (who sets goals, through which instruments); implementation (how decisions become action); measurement and evaluation (how results are assessed and fed back) |

Each principle is translated into indicators for each process at each step of the learning cycle. For example, *transparency* in *resource use* at the *measurement and evaluation* step might be indicated by whether budget execution reports are published, in accessible form, with a comparison to plan. The result is a matrix that maps governance holistically rather than through a handful of targets, directly addressing the multi-task problem described in Chapter 3.

Each indicator also asks whether material impacts were considered across all relevant dimensions: the natural environment, the built environment, the economy, the society and the institution's own management capabilities. What is material for stakeholders becomes material for the institution sooner or later, either as a reputational risk or as new regulation or reform. Negative impacts are also far cheaper to manage when they are addressed at the design stage than when they have to be remedied afterwards.[48] Investment in prevention is much cheaper than remedying.

***Each indicator also asks whether material impacts were considered across all relevant dimensions: the natural environment, the built environment, the economy, the society and the institution's own management capabilities.***

## 4. TWO COMPLEMENTARY METHODS

**Method 1: Scorecards based on publicly available information.** Indicators are scored yes (present) or no (absent) on the basis of documents and data that the institution, or others, have made public: strategic plans, budgets, council minutes, activity reports, procurement records, websites or even official news. This method is objective, repeatable and inexpensive. It requires no cooperation from the institution, so it can be used by citizens, NGOs, media and researchers as a civic monitoring tool. Provides an empowering tool for citizens to engage with public institutions for better results while maintaining or increasing their trust level.

47 Argüden et al. (2024), *Civil Engagement Model.*

48 Argüden and Argüden Oskay (2024), "Responsible Boards for a Sustainable Future"; Argüden et al. (2024), *Civil Engagement Model.*

The first large-scale application was a citizen-centered scorecard of Istanbul's 37 district municipalities in 2018, repeated in 2023 to track progress.[49] Overall grades in the first round ranged between roughly 30% and 65%, giving both a picture of the overall system and a position for each municipality along governance quality level.[50] The OECD's Observatory of Public Sector Innovation (OPSI) and the UN recognized the model as a good-practice for public innovation.[51] Spin-off scorecards on gender equality and green municipalities were later developed with civil society partners.[52]

In 2022 the approach was extended to 27 metropolitan municipalities across Türkiye, again using only publicly available information.[53] The findings pointed to four areas in which improvement would most directly raise quality of life: strengthening sustainable development efforts, improving the quality of participation, improving the quality of information shared with citizens, and strengthening institutional and administrative capacity. In the same year, an integrated municipality governance model was developed with two district municipalities to help them prepare them for the European Label of Governance Excellence, as discussed in Chapter 5.[54]

**A useful side effect of public-data measurement is that it rewards disclosure itself. Institutions that publish more and better information score higher, which strengthens the information ecosystem.**

Technology is lowering the cost of this method further. Much of the work behind public-data scorecard is reading and analyzing council minutes, budgets, procurement notices, activity reports. Language-processing tools can now screen thousands of such documents and point assessors to where the evidence for an indicator is likely to be, so that people spend their time on judgment rather than search. The usual caution applies. A tool can find a document; it cannot decide whether a consultation was genuine. Final scoring should remain with accountable human reviewers, and the use of such tools should itself be disclosed, in line with the transparency and oversight obligations of the Council of Europe Framework Convention on Artificial Intelligence.[55]

**Method 2: Maturity assessment with stakeholder voice.** Public documents show what an institution *says* it does. A *maturity assessment* asks how far good governance steps are actually embedded in process and practice, by combining self-assessment with the views of those who took part in or were affected by a process. Maturity is graded in stages, from ad hoc to systematic to continuously improving, a logic familiar from quality-management models such as EFQM (European Foundation for Quality Management).

The Civil Engagement Model is one such approach: it assesses ***quality of meaningful stakeholder engagement in decision-making***, resource use, service delivery and learning processes against the same principles, at

49 Öğücü Şen and İzci (2018), *Governance Scorecard of Municipalities*; İzci and Erimez (2024), *Municipality Governance Scorecard 2023*.

50 OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard."

51 United Nations SDG Partnerships Platform, "Municipality Governance Scorecard."

52 OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard."

53 İzci et al. (2022), *Metropolitan Municipality Governance Scorecard*.

54 İzci et al. (2022), *Integrated Municipality Governance Model*.

55 Council of Europe (2024), *Framework Convention on Artificial Intelligence*.

point level, and with stakeholders involved in the evaluation.[56] Because stakeholders participate, it reduces the risk of one-sided self-reporting and reveals information asymmetries between what institutions believe they communicate and what stakeholders actually understand.

***Public documents show what an institution says it does. A maturity assessment asks how far good governance steps are actually embedded in process and practice, by combining self-assessment with the views of those who took part in or were affected by a process.***

This assessment is not a performance ranking, but a tool for self-evaluation and learning. It identifies, step by step, what is missing and how each gap can be closed. The approach has been tested in settings where trust is especially fragile. Following the February 2023 earthquakes in Türkiye, pilot assessments examined how reconstruction plans and post-disaster services were decided and implemented in Kahramanmaraş and Hatay, drawing solely on institutional reports, field observations and third-party assessments. Rather than judging the substance of the plans, the pilots assessed whether goals, monitoring arrangements, consultation and reporting mechanisms were in place. The findings revealed gaps precisely where trust is most often lost: in measuring results and communicating them to affected communities.

Because the same questions can be asked of every institutional actor working in a policy area, the method can also be applied to an entire ecosystem: ministries, municipalities, agencies, companies and civil society organizations whose combined conduct shapes the outcome. Trust in a policy is rarely the product of one institution alone.[57] Each institution operates in an ecosystem and interacts with others whether public, private or civil society institution.

## 5. LEADING AND LAGGING INDICATORS TOGETHER

| Type | Perception surveys (e.g., OECD Trust Survey) | Process scorecards | Maturity assessments |
|---|---|---|---|
| **Indicator type** | Lagging (result) | Leading (input to trust) | Leading (input to trust) |
| **Answers** | How much do citizens trust? Which drivers matter? | What good-governance steps are visibly in place? | How deeply are those steps practiced, as experienced by stakeholders? |
| **Comparability** | High, across countries | High, across similar institutions | Medium, best for learning over time |
| **Cost** | High (large samples) | Low (desk research) | Medium (workshops, interviews) |
| **Main risk** | Partisan bias in responses | Form over substance ("paper compliance") | Self-assessment bias |

**The OECD drivers of trust (reliability, responsiveness, integrity, openness, fairness) map closely onto process principles. This creates an opportunity: if process measurement is aligned with the OECD driver framework, countries and cities could see whether improvements in governance conduct are followed by improvements in trust, testing the causal chain rather than assuming it**. We should be prepared for the possibility that the link turns out to be weaker than expected. Where polarization is deep, trust may follow party identity almost regardless of how an institution behaves.[58] Better conduct may also coincide with rising trust for other reasons, such as economic recovery, so a correlation between the two should not be read

56 Argüden et al. (2024), *Civil Engagement Model.*

57 Ibid.

58 Pew Research Center (2025), *Public Trust in Government: 1958–2025.*

as proof of cause. Either finding would be useful: it would tell reformers whether process quality is enough on its own, or necessary but in need of other measures put into action alongside it.

## 6. RECOMMENDATIONS

**Add a process layer to existing trust measurement.** Complement perception surveys with periodic, public-data scorecards of governance conduct, aligned to the same drivers. This shows where to act, is cheap to repeat and can be used by citizens, civil society or other stakeholders.[59] Its limitation is that public documents can overstate practice, so the indicators need periodic review to prevent gaming.[60]

**Use maturity assessments for depth where it matters most.** Apply them to high-stakes decisions such as major infrastructure, budget priorities and urban zoning plans. This brings stakeholder experience into the evaluation, incentivizes engagement and builds ownership.[61] It is, however, more resource-intensive, which is why it should be reserved for decisions where the stakes justify the cost.

**Publish methods openly.** Indicator sets and scoring rules should be public, so that any actor can replicate results. This would also help build credibility and cross-partisan acceptance.[62] Open indicators are, however, easier to game; rotating a portion of the indicators in each cycle and auditing a sample of the evidence may help reduce this risk.

59 Fukuyama (2013), "What Is Governance?"; OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard."

60 Bevan and Hood (2006), "What's Measured Is What Matters."

61 Argüden et al. (2024), *Civil Engagement Model*; Tyler (1990), *Why People Obey the Law*.

62 O'Neill (2002), *A Question of Trust*.

# LEARNING FROM PEERS: BENCHMARKING FOR CONTINUOUS LEARNING

Comparable process measurement is valuable mainly because it lets institutions learn from each other faster. The aim of benchmarking is not to rank and shame, but to find who is doing well under similar conditions, understand how, and disseminate it for adoption.

## 1. WHY PEER LEARNING WORKS

Institutions change more readily when they see a peer, facing similar constraints, succeed. This is the logic of *positive deviance*: in any population, a few members achieve better results with the same resources, and their practices are more transferable than imported blueprints.[63] Research on international indicators also shows that comparative ratings exert real pressure on governments' behavior, especially when they are regular, visible and credible.[64]

Two cautions apply. A practice that works in one place may owe its success to a capable leader rather than to the practice itself, and may not survive that leader's departure. And learning only from success invites survivorship bias: institutions that tried a similar reform and abandoned it are rarely studied, although they often reveal more about the conditions a reform needs in order to work. A good benchmarking system documents failures as carefully as successes.

Europe already has strong precedents for structured peer learning:[65]

| Mechanism | How it works | Relevance |
|---|---|---|
| **GRECO (Council of Europe Group of States against Corruption)** | Mutual evaluation rounds with follow-up on recommendations | Shows that peer review can drive measurable reform among sovereign states |
| **OECD peer reviews** | Countries examine each other's policies against shared standards | Combines comparison with dialogue and technical advice |
| **EU Open Method of Coordination** | Common goals, indicators, benchmarking and exchange of good practice | Learning without uniform legislation |
| **Open Government Partnership, Independent Reporting Mechanism** | Independent assessment of action-plan design and implementation | Focuses on the conduct of reform, not only commitments |
| **European Label of Governance Excellence (ELoGE)** | Local authorities assessed against 12 Principles; label awarded to those meeting the benchmark | Recognition plus a network of practitioners |

What is still missing is peer learning *on the conduct of everyday governance*, at scale, below the national level, using comparable evidence.

63 Pascale et al. (2010), *The Power of Positive Deviance.*

64 Kelley and Simmons (2015), "Politics by Number."

65 Sources: Council of Europe GRECO; OECD; European Commission; Open Government Partnership; Council of Europe Centre of Expertise for Good Governance.

## 2. DESIGNING BENCHMARKING FOR LEARNING

Benchmarking can either open doors or close them. Experience with municipal scorecards and with labels such as ELoGE suggests five design rules:

1. **Compare like with like.** Group institutions by type and mandate (e.g., district municipalities, metropolitan municipalities, ministries) rather than ranking all together.
2. **Report progress, not only position.** Showing improvement over time rewards effort and reduces defensiveness. Repeating the Istanbul municipal scorecard after five years made progress, not just ranking, visible.[66]
3. **Pair every score with an example.** For each principle and process, publish the best observed practice, so that a low score comes with a concrete route to improvement while illustrating the practice in its context.
4. **Build a community of practice.** Diffusion workshops with municipal unions and NGOs turned scorecard results into shared learning in the Istanbul case.[67]
5. **Keep evaluation independent of the evaluated.** Credibility depends on independent juries, transparent methods and verifiable evidence.

The ELoGE experience illustrates how measurement, recognition and learning combine. Using an integrated municipal governance model developed for the purpose, two Istanbul district municipalities (Sultanbeyli and Şişli), qualified for the Council of Europe's governance quality label in 2022, and applications from metropolitan municipalities followed.[68]

***Process indicators travel across contexts more easily than outcome indicators, they make cross-border peer learning possible. A city in Portugal and a city in Türkiye cannot easily compare their waste-management outcomes, but they can compare whether waste policy was set with evidence, whether residents were consulted and informed of results, and whether performance was reported against plan in terms of success level.***

## 3. FROM LOCAL TO INTERNATIONAL LEARNING

Because process indicators travel across contexts more easily than outcome indicators, they make cross-border peer learning possible. A city in Portugal and a city in Türkiye cannot easily compare their waste-management outcomes, but they can compare whether waste policy was set with evidence, whether residents were consulted and informed of results, and whether performance was reported against plan in terms of success level.

This opens the possibility of a **European, and potentially OECD-wide, observatory of governance practice**: a shared repository of comparable process data and good-practice cases, curated by an independent network and linked to existing structures such as the Council of Europe's Centre of Expertise for Good Governance and the OECD's Observatory of Public Sector Innovation.

66 İzci and Erimez (2024), *Municipality Governance Scorecard 2023*.

67 OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard."

68 TR Monitor, "Municipality Governance Scorecard attracts global attention."

# 4. RECOMMENDATIONS

1. **Create peer groups for governance benchmarking** within the Council of Europe's Congress of Local and Regional Authorities and OECD networks. This allows fair comparison and faster diffusion of practice.[69] The risk is that competition crowds out cooperation; reporting progress rather than rank, and sharing case libraries, keep the emphasis on learning.
2. **Attach a good-practice library to every benchmark.**

   This helps convert measurement into learning.[70] Practices rarely transfer without adaptation, however, so each case should describe the context in which it worked.

3. **Extend peer review from anti-corruption to everyday governance conduct**, building on the GRECO model. Collective learning leads to collective improvement. The model is proven within the Council of Europe system. Under political pressure, however, peer review among governments tends to become diplomatic and soft; independent civil-society scoring provides a useful counterweight.

69 Pascale et al. (2010), *The Power of Positive Deviance*; Kelley and Simmons (2015), "Politics by Number."

70 Deming (1986), *Out of the Crisis*.

# FROM PRINCIPLES TO EVERYDAY PRACTICE: GUIDELINES FOR TRUST

***Officials need to know, for a given task, what "participatory" or "transparent" requires in practice: who to involve, at what step, with what information, and what to report afterwards. Without that, principles remain aspirations, and each official interprets them according to personal habit.***

***Officials respond to what their institution actually rewards and sanctions, which is not always what its mission statement says. Where a missed deadline is punished and a skipped consultation is not, the consultation will be skipped.***

Principles become culture only when they become everyday routine. Practical guidelines, which translate each principle into concrete steps for specific processes, are the bridge between what institutions endorse and what officials actually do on a working day.

## 1. WHY PRINCIPLES ALONE DO NOT CHANGE BEHAVIOR

Most countries' legal frameworks already contain the vocabulary of good governance: transparency, participation, accountability and others. Applied assessments repeatedly find that legislation incorporates best-governance elements and that stakeholders hold positive attitudes towards them, yet holistic practice lags behind.[71] The gap lies less in belief than in method. This undermines the cultivation of a trust ecosystem.

Officials need to know, for a given task, what "participatory" or "transparent" requires in practice: who to involve, at what step, with what information, and what to report afterwards. Without that, principles remain aspirations, and each official interprets them according to personal habit.

There is also a gap of incentives. Officials respond to what their institution actually rewards and sanctions, which is not always what its mission statement says. Where a missed deadline is punished and a skipped consultation is not, the consultation will be skipped. Guidelines therefore work best when the way performance is reviewed reflects them.

In high-reliability fields such as aviation and surgery, simple structured checklists have produced large improvements by making essential steps routine and visible.[72] Governance guidelines play a similar role: they do not replace judgment, but they ensure that judgment is exercised on a complete basis.

A word of caution is needed. A checklist can be completed without being honored: a consultation can be held after the decision has effectively been taken, and a document can be published in a form no citizen will read. Guidelines should therefore state the purpose of each step alongside the step itself, and assessment should ask whether that purpose was served, not only whether the box was ticked. Good governance becomes a culture when it is practiced even where no one is checking or observing.

71 United Nations SDG Partnerships Platform, "Municipality Governance Scorecard."

72 Gawande (2009), *The Checklist Manifesto.*

## 2. WHAT A GOOD GOVERNANCE GUIDELINE CONTAINS

A useful guideline is process-specific, step-based and verifiable. It answers, for one type of activity:

- **What** steps must be taken, in which order and **when**.
- **Who** is responsible at each step, and which stakeholders must be involved.
- **Which information** must be prepared, shared and published, and when.
- **How** results will be measured, reported and fed back into continuous learning.

International guidance already moves in this direction, for example the Council of Europe's *Guidelines for civil participation in political decision making*,[73] the OECD *Guidelines for Citizen Participation Processes*[74] and the OECD *Good Practice Principles for Deliberative Processes*.[75] Applied work has added guides for specific public processes, such as integrated and inclusive strategic planning, and local development planning that brings business and civil society into public decision-making

***A useful guideline is process-specific, step-based and verifiable. It answers, for one type of activity:***

- ***What steps must be taken, in which order and when.***
- ***Who is responsible at each step, and which stakeholders must be involved.***
- ***Which information must be prepared, shared and published, and when.***
- ***How results will be measured, reported and fed back into continuous learning.***

## 3. A MINIMUM STANDARD FOR SIGNIFICANT PUBLIC DECISIONS

Drawing these sources together, a minimum trust-building sequence for any significant public decision can be stated in eight steps:

1. **Map stakeholders.** Identify all groups affected, including those without organized voice and future generations.
2. **Inform before consulting.** Share the problem, the evidence and the options in understandable form before asking for views.
3. **Assess impacts across dimensions and time.** Consider economic, social, environmental and cultural effects in the short, medium and long term, and on different groups and regions (ex-ante impact assessment).
4. **Consult meaningfully.** Use methods suited to the stakes, from surveys to deliberation panels, with representative participation. The purpose of consultation is a better decision, not unanimity. Differences of view that surface early improve the quality of a decision; suppressed, they tend to return later as opposition.
5. **Decide and explain.** Publish the decision, the reasons, the alternatives rejected and how stakeholder input was used.
6. **Implement with visible milestones.** Report progress, resources used and deviations from plan with facts.

73 Council of Europe (2017), *Guidelines for Civil Participation in Political Decision Making.*

74 OECD (2022), *Guidelines for Citizen Participation Processes.*

75 OECD (2020), *Good Practice Principles for Deliberative Processes.*

7. **Evaluate results.** Compare outcomes with targets and with the impacts expected and assess effects on different groups (ex-post evaluation). Report what did not work as openly as what did; an institution that publishes only its successes teaches citizens to discount all of its reports.
8. **Close the loop.** Share findings with stakeholders and feed lessons into the next cycle. Enable and support institutional self-learning and improvement.

***The OECD finds that closing the trust gap requires not only giving citizens a say but showing them how their input was used.***

Each step is observable. Each can therefore be measured by the methods described in Chapter 4, which links guidelines and measurement into a single learning system: guidelines tell institutions what good looks like at each process and step; measurement shows how close they are; benchmarking shows who is further ahead and how they got there.

Step 5 deserves emphasis. The OECD finds that closing the trust gap requires not only giving citizens a say but showing them how their input was used.[76] Feedback is the step most often skipped, and its absence turns participation into a source of cynicism rather than trust. Today only 39% of people believe that taking part in a public consultation influences what government does.[77] Hence, praising participation practically is a must for durable belief in democracy and taking part in participatory governance processes.

***Informed and inclusive engagement brings three benefits: it reveals the sensitivities of different groups before a decision is taken, it widens the range of possible solutions, and it earns the trust of all segments of society.***

Yet, the design of meaningful engagement carries a lot importance. Listening well has three components, and each can be assessed: the quality of participation (who takes part, and whether the views of those most affected are present), the quality of the information shared (whether it is complete, timely and understandable), and the quality of the engagement process itself (whether views can genuinely change the outcome). Engagement should not be confined to the decision stage. It is equally valuable when services are designed, drawing on the experience of those who will use them, and when feedback on results is collected. Good listening improves decisions; it also tells citizens that their experience and views counts.[78]

Informed engagement deserves particular care, because different groups in society have very different resources to examine the likely effects of a decision. Organized interests can hire experts; most citizens cannot. Public institutions therefore need to identify all relevant stakeholder groups, carry out ex-ante impact analyses, include every relevant group in the engagement process, and communicate the results of those analyses in a form each group can access and understand. Done well, informed and inclusive engagement brings three benefits: it reveals the sensitivities of different groups before a decision is taken, it widens the range of possible solutions, and it earns the trust of all segments of society.[79] Better participation results in better policy outcomes.

76 OECD (2026), *Survey on Drivers of Trust in Public Institutions.*

77 Ibid.

78 Argüden et al. (2024), *Civil Engagement Model.*

79 Argüden and Erimez (2023), *Integrated Reporting for Public Sector.*

The quality of the information shared can itself be assessed. Experience with municipal assessments suggests that good public information covers inputs, processes, outputs and outcomes, including impacts; spans the economic, social, environmental and governance dimensions; includes commitments for the future, which favors accrual-based over cash-based accounting; shows material impacts on different groups over both the short and the long term; is complete and consolidated across all bodies reporting to the institution; and is accessible and understandable, explaining how inputs, outputs and outcomes connect.[80]

## 4. GUIDELINES AS A TOOL AGAINST POLARIZATION

Because guidelines and process indicators are based on concrete, verifiable facts, people with different political views tend to reach similar conclusions when they examine the same process. Whether council minutes were published, whether affected residents were heard, whether a decision's reasons were explained: these are not partisan questions. A shared, factual standard for *how* decisions should be made can create common ground even where people disagree about *what* should be decided. This provides a shared and reliable framework of analysis and evaluation for different or even competing groups.

***Guidelines and process indicators are based on concrete, verifiable facts, people with different political views tend to reach similar conclusions when they examine the same process.***

***A shared, factual standard for how decisions should be made can create common ground even where people disagree about what should be decided. This provides a shared and reliable framework of analysis and evaluation for different or even competing groups.***

## 5. ALGORITHMS MUST PASS THE SAME TESTS

Public bodies increasingly use automated systems to screen applications, detect fraud, target inspections and draft replies to citizens. The governance questions do not change when a decision is supported by an algorithm; they simply become harder to answer. Who decided to use the system, and on what evidence? What data was it built on, and whom might that data disadvantage? Can an affected citizen obtain an explanation and challenge the outcome? Who is accountable when it errs?

The Dutch childcare benefits affair, in which a risk-scoring model contributed to thousands of families being wrongly treated as fraudsters, shows how quickly trust collapses when these questions go unasked; the affair led to the resignation of the government in 2021.[81] The eight steps above apply to the adoption of such systems as much as to any other significant decision, and the Council of Europe Framework Convention on Artificial Intelligence offers member states a common reference for doing so.[82]

80 İzci et al. (2022), *Metropolitan Municipality Governance Scorecard*; Argüden and Erimez (2023), *Integrated Reporting for Public Sector.*

81 Amnesty International (2021), *Xenophobic Machines.*

82 Council of Europe (2024), *Framework Convention on Artificial Intelligence.*

## 6. SIMPLIFICATION THAT BUILDS TRUST: A LIFE CYCLE VIEW OF RULES

Calls to simplify government are probably as old as government itself. Most simplification programs, however, have concentrated on what is easiest to count: paperwork, forms, permits and direct compliance costs. These efforts have removed many "low-hanging" barriers and deserve credit. Yet they have not fundamentally changed how the costs and benefits of a rule are understood over its whole life.[83]

A rule has a life cycle. It is drafted, adopted, complied with, enforced, adjusted and, ideally, reviewed and retired. At each stage it creates effects that impact assessments often miss: long-term enforcement costs and a growing oversight burden inside the public sector; "risk-risk" trade-offs, where reducing one risk raises another; the stigmatization of products, technologies or groups; the diversion of resources from investment and innovation towards unproductive compliance; weaker entrepreneurship; and openings for unethical actors to exploit uneven enforcement.[84] A restriction on a technology used in consumer products, for example, can erode performance, weaken brand value and pull resources away from innovation simply to keep existing functions working. Repeated across sectors, such effects add up to significant economic costs.

***A rule has a life cycle. It is drafted, adopted, complied with, enforced, adjusted and, ideally, reviewed and retired. At each stage it creates effects.***

These effects matter for trust as much as for competitiveness. Citizens and businesses judge a state not only by the rules it writes but by whether those rules are proportionate, understandable and applied evenly. A rule that cannot be enforced fairly teaches people that compliance is for the naive. Technology helps, because digital tools lower the cost of reporting and inspection. On its own, however, digitizing a poorly designed rule only makes a poor rule faster.[85]

***Citizens and businesses judge a state not only by the rules it writes but by whether those rules are proportionate, understandable and applied evenly.***

A life cycle view therefore adds three questions to every significant regulatory decision. What will it cost to comply with, for whom, and for how long? What will it take to enforce fairly, and does the state have that capacity? What unintended behavior might it trigger, and how will we know? Regulatory policy has already moved beyond paperwork reduction, and initiatives such as the OECD's *Simplifying for Success* go further still; adding dynamic life-cycle impacts keeps simplification focused on outcomes and on the actual goals of legislation.[86] Seen this way, simplification is better regulation rather than deregulation: fewer rules that achieve more, applied evenly and reviewed honestly.

83 Argüden (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification.*

84 Ibid.

85 Ibid.

86 Ibid.; OECD (2012), *Recommendation on Regulatory Policy and Governance.*

## 7. RECOMMENDATIONS

- **Adopt a minimum decision-process standard** for significant decisions at national and local level, aligned with the Council of Europe and OECD guidelines. This makes principles teachable and auditable and also reduces arbitrariness.[87] The risk is bureaucratic overload; the answer is proportionality, with lighter procedures for minor decisions.
- **Build guidelines into training and induction** for elected officials and senior civil servants. This shapes norms and habits, one of the less visible drivers of trust.[88] One-off training fades quickly, so it needs regular follow-up, and its effect should be measured.
- **Make feedback to participants mandatory** to directly address one of the strongest trust deficits identified by the OECD.[89] This requires administrative capacity, and small public institutions (e.g. town municipalities) may need shared support services. Measured against the cost of lost trust, it is a modest investment.
- **Assess rules over their whole life cycle.** Include compliance, enforcement and indirect effects in impact assessments, and review significant rules after implementation. This keeps simplification focused on outcomes rather than page counts and frees public resources for higher-value uses.[90] It requires data on long-term effects that many administrations do not yet collect; starting with the most burdensome rules keeps the effort proportionate.

87 Gawande (2009), *The Checklist Manifesto;* Council of Europe (2017), *Guidelines for Civil Participation in Political Decision Making.*

88 Argüden et al. (2024), *Civil Engagement Model.*

89 Argüden (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification.*

90 Argüden, Y. (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification.*

# INCENTIVES AND TIME HORIZONS: REWARDING LONG-TERM STEWARDSHIP

***People respond to what is measured, experienced, seen, and rewarded.***

People respond to what is measured, experienced, seen, and rewarded. If the only scoreboard that matters to a politician is the next election result, and the only scoreboard that matters to a civil servant is procedural compliance, long-term public value will be under-supplied. The task is to align incentives with the world we want.

Incentives are also a collective action problem. Each actor may understand that long-term investment in trust would benefit everyone, yet each bears its costs today while the benefits are shared by all. Left alone, such goods are under-supplied.[91] Experience with shared resources shows, however, that communities can overcome this when rules are clear, monitoring is credible, and those who bear the costs also take part in setting the rules.[92] Trust in democratic institutions is such a shared resource. No single institution, party or sector (public, private or civil society) can rebuild it alone. The levers below are therefore most effective when several actors pull them together, which is the subject of the next two chapters.

## 1. THE INCENTIVE GAP

Chapter 3 described the horizon problem: decisions with decades-long consequences are taken by actors whose horizon is a few years. The result is a structural bias toward visible, short-term benefits and away from prevention, maintenance and investment for future generations.[93]

Three groups of actors face distinct incentive gaps:

| Actor | Current dominant incentive | What is under-rewarded |
|---|---|---|
| **Elected officials** | Visible results before the next election | Process quality, prevention, long-term investment, honest reporting of trade-offs |
| **Civil servants** | Procedural compliance and avoiding blame | Learning, innovation and meaningful engagement with citizens |
| **Funders and investors** | Financial return and risk | Governance quality and stakeholder trust as conditions of sustainable value creation |

91 Olson (1965), *The Logic of Collective Action.*

92 Ostrom (1990), *Governing the Commons.*

93 Nordhaus (1975), "The Political Business Cycle."

The Civil Engagement Model put this directly: investors, financiers and multilateral institutions increasingly include sustainability in decisions, but should begin to use trust as a key criterion as well.[94] In the current world, trust became a meta-capital where other capitals gain or lose their value in close relationship.

***Investors, financiers and multilateral institutions increasingly include sustainability in decisions, but should begin to use trust as a key criterion as well. In the current world, trust became a meta-capital where other capitals gain or lose their value in close relationship.***

## 2. FIVE LEVERS FOR CHANGING INCENTIVES

**Lever 1: Make governance conduct visible to voters.** When credible, comparable information on how an institution has been governed is published before elections, the electoral contest can reward stewardship, not only political announcements. The first Istanbul municipal scorecard was deliberately published ahead of local elections for this reason.[95] Publishing before elections uses the democratic mechanism itself to reward good conduct, at low cost. The risk is that the assessment itself becomes politicized; only strict independence and transparent methods can guard against it. Methods and data utilized should be made public.

**Lever 2: Give the future an institutional voice.** Several democracies have created bodies that represent long-term interests within the present system: Wales's Well-being of Future Generations (Wales) Act 2015 and its Future Generations Commissioner; Finland's parliamentary Committee for the Future; and independent fiscal institutions, which the OECD recommends to assess the long-term sustainability of public finances.[96] Such bodies embed long-term analysis in routine decision-making and raise the political cost of short-termism. Their powers, however, are often only advisory, so they can be ignored or defunded, and their legitimacy depends on the transparency of their own processes.

**Lever 3: Link resources to governance quality.** Funding can reward good governance conduct. The EU already conditions certain funds on respect for the rule of law.[97] Multilateral development banks and national governments could extend this logic, at lower stakes, by giving preferential access to grants, guarantees or co-financing to institutions that demonstrate measurable improvement in governance quality. Tangible incentives of this kind channel resources to institutions more likely to use them well. Inclusiveness is critical, however: badly designed, such schemes penalize poorer institutions with less capacity, and conditionality can be perceived as external interference. Rewarding *improvement* rather than absolute level reduces both risks.

**Lever 4: Recognize excellence publicly.** Labels and awards, such as the Council of Europe's ELoGE, give reformers political capital and attract peer attention.[98] They are inexpensive, positive-sum tools that build communities of practice.[99] As with any reward system, labels and awards can become ends in themselves; they need periodic renewal and independent verification. Also, cross-country comparisons and peer-learning feed transnational improvements.

94 Argüden et al. (2024), *Civil Engagement Model.*

95 TR Monitor, "Municipality Governance Scorecard attracts global attention".

96 OECD (2014), *Recommendation of the Council on Principles for Independent Fiscal Institutions.*

97 Regulation (EU, Euratom) 2020/2092 (budget conditionality).

98 TR Monitor, "Municipality Governance Scorecard attracts global attention".

99 Kelley and Simmons (2015), "Politics by Number."

**Lever 5: Reward process quality in public careers.** Appraisal and promotion of senior officials can include evidence of good governance conduct: published decision rationales, quality of stakeholder engagement, completion of ex-post evaluations, lessons applied. Incentives for permanent administration matter particularly, because it outlasts electoral cycles; institutions should not depend on the individuals who happen to lead them at a given moment. Here too the risk is box-ticking, which is why qualitative review should accompany the indicators.[100]

## 3. MAKING THE LONG TERM COUNTABLE TODAY

Incentives work only on what can be seen. Several accounting practices bring long-term effects into today's decisions:

- **Ex-ante impact assessment** across economic, social, environmental and cultural dimensions, including distributional and intergenerational effects.[101]
- **Generational accounting**, which shows the net fiscal burden that current policy places on future cohorts.[102]
- **Integrated reporting**, which presents financial and non-financial value creation together, so that depletion/protection of natural, social or institutional capital is visible.[103]
- **Sunset clauses and mandatory ex-post evaluation**, which force a review of whether a policy delivered what was promised initially.
- **Dynamic life-cycle impact assessment**, which extends ex-ante analysis to compliance and enforcement costs, oversight burdens and unintended consequences over the whole life of a rule.[104] This provides better evaluation and acts a rich source of learning and improvement.

These tools are most powerful when combined with the process measurement described in Chapter 4: an institution can then be assessed not only on whether it produced long-term analysis, but on whether that analysis actually informed the decision.

These tools also serve a fiscal purpose. Every rule that consumes enforcement capacity without delivering its goal, every program that continues without evaluation and every investment postponed in favor of visible short-term spending narrows the room for maneuver of future governments. It puts unfair constraints for future decision-makers and risks better public value delivery. Making long-term costs visible is one of the most practical ways to restore fiscal space, because it allows resources to be redirected from what no longer works to what prepares a society for the future.[105]

Integrated reporting deserves a closer look, as it brings several of these tools together. It rests on integrated thinking: understanding how inputs, processes, outputs and outcomes interact, and how decisions in one unit

100 O'Neill (2002), *A Question of Trust.*

101 OECD (2020), *Regulatory Impact Assessment.*

102 Auerbach et al. (1991), "Generational Accounts."

103 IIRC (2021), *International <IR> Framework.*

104 Argüden, Y. (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification.*

105 Argüden (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification*; Auerbach et al. (1991), "Generational Accounts."

affect the others. In the public sector, this helps to break down silos and makes outcomes, not only spending, visible.[106] The approach is no longer theoretical. Kadıköy, a district municipality of Istanbul, became the first municipality in the world to adopt integrated reporting, publishing reports under the International Integrated Reporting Framework for 2018 and 2020. Both showed the value created for different stakeholders more concisely and coherently than conventional annual reports.[107] Sustainability disclosure standards offer a further reference. Their four areas of disclosure, namely governance, strategy, risk management, and metrics and targets, can guide public institutions in reporting how they manage long-term risks, provided the information is connected to the institution's financial position, which remains central to public accountability.[108] Integrated Reporting also feeds better strategic planning and resource allocation as it allows precise mapping and measurement for public action.

## 4. RECOMMENDATIONS

Given the above accounts, it is possible to make specific recommendations for general improvements in the public sector.

1. **Publishing independent governance-conduct assessments of public institutions on a regular cycle, timed to inform elections.**
   - This could change what voters can see, evaluate and reward.[109]
   - The assessment needs to be insulated from partisan capture; independent, multi-stakeholder governance of the assessment itself is essential.
2. **Creating or strengthening future-generations institutions**, with a mandate to reviewing significant decisions against long-term and intergenerational criteria.
   - Proven models exist in Wales and Finland.[110] This can act as a learning source for peers across the borders.
   - Term mismatches between decisions and impacts limit sharing information. Sharing the results of Impact Assessments, particularly for the impacts on future generations may be considered as a duty for governments.
3. **Introducing governance-improvement incentives in public and development finance**, rewarding demonstrated progress in process quality.
   - This aligns resources with trust.[111]
   - The design needs to protect weaker institutions by pairing incentives with capacity-building support.

106 CIPFA and World Bank Group (2016), *Integrated Thinking and Reporting.*

107 Kadıköy Municipality (2018), *First Integrated Report by a Municipality*; Argüden and Erimez (2023), *Integrated Reporting for Public Sector.*

108 IFRS Foundation (2023), *IFRS S1*; Argüden and Erimez (2023), *Integrated Reporting for Public Sector.*

109 Kelley and Simmons (2015), "Politics by Number."

110 OECD (2014), *Recommendation of the Council on Principles for Independent Fiscal Institutions.*

111 Argüden et al. (2024), *Civil Engagement Model.*

# A SHARED AGENDA: COLLECTIVE ACTION FOR TRUST AND DEMOCRACY

***Trust behaves like a common good. Everyone benefits when it is high, everyone pays when it is low, and no one can produce it alone.***

***What is needed is good governance applied with a whole-of-society, whole-of-government and whole-of-the-policy-cycle approach: informed and inclusive stakeholder engagement, evidence-based decisions supported by ex-ante and ex-post impact analysis, realistic attention to compliance and enforcement costs, and integrated thinking that considers material impacts on different stakeholders over time.***

No single authority or institution can rebuild trust in democracy. Political actors set direction and carry the democratic mandate. Think tanks and research institutions generate evidence, test ideas and keep reformers honest. Standard-setting institutions turn shared lessons into common reference points that travel across borders. When these communities pull in different directions, even good initiatives lose force. When their understanding converges, reform becomes possible at a pace none of them could achieve alone. This chapter sets out a shared agenda for that convergence emerge and gain momentum.

## 1. WHY COLLECTIVE ACTION IS NEEDED

Trust behaves like a common good. Everyone benefits when it is high, everyone pays when it is low, and no one can produce it alone. This is why approaches built on a single institution, a single instrument or a single electoral cycle have had limited success. What is needed is good governance applied with a whole-of-society, whole-of-government and whole-of-the-policy-cycle approach: informed and inclusive stakeholder engagement, evidence-based decisions supported by ex-ante and ex-post impact analysis, realistic attention to compliance and enforcement costs, and integrated thinking that considers material impacts on different stakeholders over time.[112]

**Collective action does not require every actor to do the same thing. It requires each to contribute where it is best placed, in ways that reinforce others over time.** Political actors can create the mandate and space for change; think tanks and researchers can provide independent evidence and methods; and standard-setting institutions can establish a common language for comparison and learning. Public administrations, civil society, the media and business can then apply these standards, monitor progress, recognize achievement and reward improvement. Viewed from these different roles, the same recommendations form a coherent ecosystem for trust.

112 Argüden et al. (2024), *Civil Engagement Model.*

Business has a place in this system that is often overlooked. Companies also depend on the trust of their stakeholders, and on a climate of trust in the societies in which they operate. Leadership, in the private sector as in the public, involves not only managing one's own organization but positively influencing the wider ecosystem: building capacity along the value chain, advocating for the common good rather than narrow interests, and joining partnerships and collective action to improve the climate of trust.[113] Responsible business conduct and strong public institutions reinforce each other; neither can be sustained for long without the other.

There are encouraging signs that such convergence is under way. In Europe, the Council of Europe's New Democratic Pact has opened a broad consultation on why trust has declined and how to respond. At the global level, the OECD's *Government Unstuck* agenda calls for governments that are simpler, more agile, more proactive and more connected to citizens.[114] The priorities highlighted at the 2026 Global Forum correspond closely to areas where detailed applied work by many actors has accumulated over the past decade:

| Priority highlighted at the 2026 Global Forum | What detailed applied work points to | Discussed in |
|---|---|---|
| **Listen better** | Assess the quality of participation, information and engagement; involve citizens at the design and evaluation stages, not only at decision time; show participants how their input was used in decisions and actions | Chapters 4 and 6 |
| **Simplify government processes** | Judge rules over their whole life cycle, including compliance and enforcement costs and unintended effects; simplify for outcomes, not page counts | Chapters 1 and 6 |
| **Restore fiscal space and use resources effectively** | Treat resource use as a governance process to be measured; make long-term costs visible; link resources to demonstrated improvement in governance | Chapters 4 and 7 |
| **Anticipate better, act earlier** | Consider material impacts across dimensions and time horizons at the design stage; give future generations an institutional voice; build consensus on long-term priorities | Chapters 4 and 7 |

None of these ideas belongs to a single author or institution. They have emerged from the work of many governments, municipalities, international organizations, universities, think tanks and civil society groups. Each effort complements and enriches the others. What remains is to connect them, so that what has been learned in one place can be used everywhere.

## 2. A WINDOW OF OPPORTUNITY: WHERE THE PACT STANDS

The Pact was launched by Secretary General Alain Berset in May 2025 as a strategic process to respond to democratic backsliding and renew democratic governance across the Council of Europe's 46 member states. Its first phase, an extensive consultation, runs until December 2026,[115] with publication of outcomes reportedly expected in April 2027.[116] Its stated ambition is to rebuild trust in institutions and strengthen democratic resilience.

113 Argüden et al. (2024), *The Future of Governance is Transformational.*

114 OECD (2026), *Global Forum on Building Trust and Reinforcing Democracy.*

115 Council of Europe (2026), *The New Democratic Pact for Europe in Times of Rupture.*

116 informat.ro (2026), "The Council of Europe is preparing a new Democratic Pact."

The Pact rests on three pillars and three objectives:[117]

- **Pillars:** (1) Learning and practicing democracy; (2) Protecting democracy, including against corruption, electoral interference and disinformation; (3) Innovating democracy, including deliberative and participatory processes and technologies that improve accessibility, trust and efficiency in governance.
- **Objectives:** (1) a common goal for democracy grounded in the European Convention on Human Rights and the Reykjavík Principles; (2) a broad consultation on why trust has declined; (3) translating consultation outcomes into actionable policies at European, national, regional and local levels.

***The Democratic Pact's own founding text acknowledges that expectations were unmet and promises unfulfilled and commits to understanding what has been done wrong or failed to deliver. This is exactly the question that governance quality measurement can answer institution by institution relying on good governance culture.***

The Pact's own founding text acknowledges that expectations were unmet and promises unfulfilled and commits to understanding what has been done wrong or failed to deliver.[118] This is exactly the question that governance quality measurement can answer institution by institution relying on good governance culture.

## 3. HOW THE PROPOSALS RELATE TO THE PACT

| Proposal | Pact pillar | Pact objective | Chapter |
|---|---|---|---|
| Common framework for measuring governance conduct, aligned with the 12 Principles and OECD trust drivers | Innovating | 3. Actionable policies | 4 |
| Civic monitoring by citizens, NGOs and media using public-data scorecards | Learning and practicing; Protecting | 1. Common goal | 4, 7 |
| Peer-learning networks and a governance-practice observatory | Innovating | 3. Actionable policies | 5 |
| Minimum decision-process standard, including mandatory feedback to participants | Learning and practicing; Innovating | 3. Actionable policies | 6 |
| Future-generations institutions and long-term impact assessment | Protecting | 1. Common goal | 7 |
| Governance-improvement incentives in public and development finance | Protecting | 3. Actionable policies | 7 |

## 4. POLITICAL ACTORS: FROM COMMITMENTS TO CONDUCT

Political actors, from elected leaders and parliaments to intergovernmental bodies such as the Council of Europe, carry the democratic mandate over differing or overlapping areas along different scales. Their distinctive contribution is to turn shared governance principles into shared commitments, and then commitments into everyday conduct that can be observed and improvable. Several avenues are open, most of which are built on instruments these bodies have already created.

117 Council of Europe (2025), *The New Democratic Pact for Europe: What Is It?*.

118 Ibid.

1. **A common framework for governance conduct as a tangible outcome of democratic renewal.** This could take the form of a common, open set of process indicators, built on the 12 Principles of Good Democratic Governance and the Reykjavík Principles, translated into observable steps across decision-making, resource use, service delivery and institutional learning.[119]

   This turns shared principles into a common benchmark, enabling comparisons across 46 member states without requiring uniform outcomes. Because some member states may resist such comparisons, beginning with voluntary participation by local authorities could help ease that resistance.

2. **Starting where government is closest to citizens.** Local government is where citizens experience public decisions most directly. The Council of Europe's Congress of Local and Regional Authorities and the network of ELoGE-labelled municipalities already provide an assessment infrastructure on which pilots could build.

   This builds on an existing Council of Europe instrument and allows fast learning cycles. Local results may not translate automatically to national institutions, so a second phase for ministries and parliaments needs to be planned from the start.

3. **Extending peer review to everyday governance conduct**, drawing on the mutual evaluation and follow-up methods proven in GRECO. Because the method is already familiar within the Council of Europe system, it would be relatively easy to adapt. Intergovernmental review can become cautious, so it works best when complemented by independent civil-society assessments.

4. **Equipping civil society to monitor governance conduct.** Open methods, training and small grants for NGOs, universities and youth networks would allow independent governance scorecards to be produced for public institutions. This would strengthen the Pact's first pillar by making citizens practitioners, not only learners, of democracy, and would widen oversight beyond elections and courts.[120] Quality will vary between monitors, so methods need to be standardized and results peer-checked. A community of civil practitioners would also facilitate collective learning and improvement community across the borders.

5. **Linking finance to governance improvement.** Development banks, such as the Council of Europe or European Bank of Reconstruction and Development, could offer preferential terms to public institutions that demonstrate measurable progress in governance conduct. This would align finance with trust,[121] but it requires careful design so that weaker authorities are not excluded.

119 Council of Europe (2008), *Strategy on Innovation and Good Governance at Local Level*; Council of Europe (2023), *Reykjavík Declaration*.

120 Rosanvallon (2008), *Counter-Democracy*.

121 Argüden et al. (2024), *Civil Engagement Model*.

***Think tanks, universities, and independent research institutions occupy a particular place in this system as knowledge partners. They are close enough to policy to be useful and far enough from power to be independent. Their contribution is the vision, evidence, methods and scientific assessments on which others can rely.***

## 5. THINK TANKS AND RESEARCH INSTITUTIONS: EVIDENCE, METHOD AND AN INDEPENDENT VOICE

Think tanks, universities, and independent research institutions occupy a particular place in this system as knowledge partners. They are close enough to policy to be useful and far enough from power to be independent. Their contribution is the vision, evidence, methods and scientific assessments on which others can rely.

**Developing open, replicable methods** for assessing governance conduct, and publishing them so that any actor can test and use them. Open methods build credibility across political divides.[122] They are also easier to game, so indicator sets need regular review.

**Testing the causal chain** between governance conduct and trust, and reporting failures and unexpected results as carefully as successes. Evidence that a reform did not work is as valuable as evidence for what worked well.[123]

**Serving as bridges** between political actors, public institutions, standard setters and citizens, translating research into guidance that a mayor or a ministry can use on Monday morning. This role depends on independence of funding and of method, which must be protected and disclosed.

**Building networks across borders**, so that methods developed in one country are tested in others and good practice is documented together with the context in which it worked. Good practice should also be defined with their principles, criteria and success indicators. A network of independent assessors can also provide the counterweight that intergovernmental review sometimes needs to be more effective and reliable.

122 O'Neill (2002), *A Question of Trust.*

123 Fukuyama (2013), "What Is Governance?"; Pascale et al. (2010), *The Power of Positive Deviance.*

## 6. STANDARD-SETTING INSTITUTIONS: A COMMON LANGUAGE FOR COMPARISON AND LEARNING

***Standard-setting institutions, such as the OECD, the United Nations and the European Union, shape what governments measure, compare and report. Their frameworks travel across borders and become reference points for national reform.***

Standard-setting institutions, such as the OECD, the United Nations and the European Union, shape what governments measure, compare and report. Their frameworks travel across borders and become reference points for national reform. Their own recent work, from trust surveys to guidance on participation and regulatory policy, already points in the direction described in this book. The opportunities below build on that work.

1. **Pairing perception with conduct.** Process indicators collected alongside perception surveys such as the OECD Trust Survey, in the same countries and, where possible, for similar institutions, would show how changes in conduct relate to changes in trust. This would move the evidence from correlations between perceptions toward the drivers of trust, building on the OECD's own driver framework.[124] It is methodologically demanding and requires a multi-year commitment and resources.
2. **Turning guidance into verifiable practice.** Existing guidance on citizen participation and deliberative processes,[125] on regulatory policy[126] and on effective governance[127] could be accompanied by a small set of process indicators showing whether the guidance is applied. To limit the added reporting burden, the indicators need to be few and based on documents that already exist.
3. **Curating shared libraries of practice.** Platforms such as the OECD Observatory of Public Sector Innovation, which has already recognized process-based municipal scorecards,[128] could serve as clearing houses for comparable good-practice cases on governance conduct. A case library, however, stays useful only if it is actively updated and enriched.
4. **Bringing the life cycle into regulatory policy making, ex-ante and ex-post evaluations.** Including dynamic life-cycle impacts, such as enforcement costs, oversight burdens and unintended consequences, in simplification initiatives such as *Simplifying for Success* would keep them focused on outcomes and on the actual goals of legislation.[129] The data required are demanding, so a start can be made with the most burdensome rules.
5. **Coordinating frameworks across organizations.** Public institutions are often asked to report against many overlapping standards, from the EU's rule-of-law conditionality to the UN Sustainable Development Goals. A shared core set of governance-conduct indicators, with optional modules for specific mandates, would reduce that burden and improve comparability.[130] Coordination across organizations is slow; the cost of fragmentation, however, falls on the very institutions that reform seeks to strengthen.

124 OECD (2026), Survey on Drivers of Trust in Public Institutions.

125 OECD (2020), Good Practice Principles for Deliberative Processes; OECD (2022), Guidelines for Citizen Participation Processes.

126 OECD (2012), Recommendation on Regulatory Policy and Governance.

127 United Nations Committee of Experts on Public Administration (2018), Principles of Effective Governance for Sustainable Development.

128 OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard".

129 Argüden (2026), A Dynamic Life Cycle Approach to Regulatory Simplification.

130 United Nations Committee of Experts on Public Administration (2018), Principles of Effective Governance for Sustainable Development.

## 7. AN INDICATIVE SEQUENCE FOR JOINT ACTION

To achieve the shared goals, there are some practical and generic improvement points.

1. **Framing.** Feeding the process-measurement approach into ongoing consultations, including the Pact, and agreeing on the outline of a common conduct framework among political actors, standard-setting institutions, think tanks and civil society.
2. **Piloting.** Testing the framework with volunteer local authorities across several member states, using both public-data scorecards and maturity assessments; publishing methods and first results.
3. **Learning.** Establishing peer groups, a practice library and the first peer-review cycle; linking pilot results to trust survey data.
4. **Scaling and rewarding.** Extending the process to national institutions; introducing recognition and finance incentives tied to demonstrated improvements in governance quality.

# WHAT DIFFERENT ACTORS CAN DO NOW

Building trust for institutions is a whole-of-society issue and precondition for democratic life as well as sustainable development. Chapter 8 addressed the leading institutions that set direction and standards for public actions. Citizens, however, experience trust or distrust in thousands of everyday decisions taken by leaders, administrators, researchers, civil society and funders. No single actor can build trust alone, but each can take concrete steps within its own reach, starting now. The recommendations below are deliberately similar across actors: when the same standard is expected from different institutions with divergent operational context, it becomes a shared norm rather than only one institution's demand.

***Building trust for institutions is a whole-of-society issue and precondition for democratic life as well as sustainable development.***

***Citizens, however, experience trust or distrust in thousands of everyday decisions taken by leaders, administrators, researchers, civil society and funders. No single actor can build trust alone, but each can take concrete steps within its own reach, starting now.***

## 1. POLITICAL LEADERS

- **Committing publicly to a decision-making process standard** for significant decisions, and reporting against it.[131] Good governance-based culture of decision-making would enhance both the democratic nature and effectiveness of governing while increasing the level of trust in the community.
- **Publishing the reasoning for decisions**, including alternatives rejected and how public input was used.[132] Quality of trust heavily depends on disclosing the agenda topics and possible lines of action. If evidence-based and well-explained, citizens will likely accept public decisions even they run against their expectations.
- **Inviting independent assessment** of institution's governance conduct and publishing the results with an improvement plan.[133] Impartial and independent assessment is the key for both self-improvement of institutions and a good reference for trustworthiness.
- **Championing and supporting long-term institutions**, such as future-generations commissioners or independent fiscal councils, even when they constrain your own choices.[134] Political short-termism has detrimental effects on today's democratic decline, and this should be prevented with the available and innovative good practices.
- **Reporting failures and corrective actions as openly as successes.** Acknowledging mistakes and explaining how they were corrected builds greater credibility than presenting a flawless record. Reputation depends not only on success, but also on honesty and predictability.

131 Council of Europe (2017), *Guidelines for Civil Participation in Political Decision Making.*

132 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results.*

133 Kelley and Simmons (2015), "Politics by Number."

134 OECD (2014), *Recommendation of the Council on Principles for Independent Fiscal Institutions.*

- **Treating simplification as a trust agenda**, asking of every significant rule/regulation what it will cost to comply with, and to enforce fairly, over its whole life cycle.[135] Although it would seem unpopular initially, if risks are well-defined and explained clearly, citizens and stakeholders are likely to better comply with and enforcement will become easier and cheaper.

## 2. PUBLIC ADMINISTRATORS

- **Embedding governance steps in standard operating procedures**, from stakeholder mapping to ex-post evaluation.[136] Whether through legal means or voluntary acts, public officials can implement better governance steps in order to stave off potential administrative or fiscal risks which can be harmful to their position and career. Also, effective working and better results will benefit their professional standing and reap the possible incentives.
- **Using self-assessment tools** to identify gaps before citizens or auditors do.[137] Exposure of failures, inefficiencies or even misdoings costs heavily. Self-evaluation and improvement are a good way of avoiding the risks and likely unwanted consequences.
- **Joining peer groups** and sharing both successes and failures.[138] Collective learning increases the pace of improvement and widens the horizon of institutional development.
- **Integrating data across silos**, so that complaints, performance data and policy evaluations inform each other.[139] Integrated data and integrated governance (whole-of-institution) working order would exponentially increase the quality governance and institutional results.
- **Engaging citizens at the design stage** of policies and services, not only at decision time, and showing them how their input was used.[140] Citizen engagement incorporates participation but also extends into design thinking of services teering for public value. The collective intelligence and efforts of citizens can be incorporated into overall policy processes

## 3. ACADEMICS AND RESEARCHERS

- **Testing the causal chain** from governance conduct to trust, using paired process and perception data.[141] More and better research on governance quality can shed light and guide improvement action in improving trust level of public institutions.
- **Developing and validating indicators** that resist gaming and remain meaningful across contexts.[142]
- **Studying positive deviants**: institutions that achieve high trust under difficult conditions.[143] Success in hard conditions and difficult situations teaches better. Learning from these cases may lead to collective improvement in governance quality.

135 Argüden (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification.*

136 Gawande (2009), *The Checklist Manifesto.*

137 Argüden et al. (2024), *Civil Engagement Model.*

138 Pascale et al. (2010), *The Power of Positive Deviance.*

139 Argüden et al. (2024), *Civil Engagement Model.*

140 Ibid.

141 Fukuyama (2013), "What Is Governance?"

142 Bevan and Hood (2006), "What's Measured Is What Matters."

143 Pascale et al. (2010), *The Power of Positive Deviance.*

- **Translating findings** into accessible guidance for practitioners. Action drives improvement, not just words or recommendations. Each lesson and learning should be fed into improvement with practical guidance for various institutional actors.

## 4. CIVIL SOCIETY LEADERS

- **Monitoring governance conduct** through open, replicable methods and publishing the findings before elections. Independent civil-society monitoring, evaluation and auditing encourage institutions to assess their own performance and invest in continuous improvement.
- **Recognizing and publicizing good practices**, not only failures, to reward reformers.[144] Incentives for reputational competition and peer-learning allow faster adaptation of good examples.
- **Participating constructively** in consultations and insisting on feedback on how input was used.[145] Meaningful and effective participation increases the likelihood of success while providing impetus for further citizen engagement.
- **Building cross-partisan coalitions** around shared, factual process standards.[146] Shared vision and goals for the improvement of governance quality leads to collective learning and adaptation. It also allows comparisons and peer-learning along the similar areas of action.

## 5. FUNDERS AND FINANCIAL INSTITUTIONS

- **Funding the infrastructure of measurement and learning:** open methods, data and peer networks.[147] Better governance quality would come from investing into it. Public budgets should incorporate investments in institutional learning and development towards more measurement and evaluation of good governance.
- **Using governance quality and trust as criteria** in financing decisions and rewarding improvement.[148] Governance quality should be a key reference framework in providing finance or rewarding policy improvements,
- **Aligning reporting requirements with shared frameworks**, so that institutions are not asked to report against many overlapping standards.[149] Simplifying and integrating reporting would deliver more trustworthy information disclosure and result in better planning of future actions.

144 Kelley and Simmons (2015), "Politics by Number."

145 OECD (2022), *Guidelines for Citizen Participation Processes.*

146 Tyler (1990), *Why People Obey the Law.*

147 OECD (2026), *Survey on Drivers of Trust in Public Institutions.*

148 Argüden et al. (2024), *Civil Engagement Model.*

149 United Nations Committee of Experts (2018), *Principles of Effective Governance for Sustainable Development.*

# CONCLUSION: TRUST IS BUILT ONE DECISION AT A TIME

*At its core, democracy's crisis is a crisis of practice in political, administrative, fiscal and stakeholder engagement spheres. Citizens still believe in democratic values and ideals, but they doubt that today's institutions uphold them in their operations. Neither new declarations, changes in leadership, nor better services alone can restore that confidence.*

*Trust can be rebuilt and improved only when institutions govern demonstrably and consistently with responsibility, accountability, fairness, transparency, effectiveness, and participation—and when citizens can experience and see that they do.*

At its core, democracy's crisis is a crisis of practice in political, administrative, fiscal and stakeholder engagement spheres. Citizens still believe in democratic values and ideals, but they doubt that today's institutions uphold them in their operations. Neither new declarations, changes in leadership, nor better services alone can restore that confidence.

Trust can be rebuilt and improved only when institutions govern demonstrably and consistently with responsibility, accountability, fairness, transparency, effectiveness, and participation—and when citizens can experience and see that they do.

This book has arguments for acutely needed four shifts:

1. **From perception to practice:** measure how governance is conducted, as a leading indicator alongside perception surveys.
1. **From isolation to peer learning:** compare institutions on the steps of governance, which travel across contexts, so that good practice spreads faster.
1. **From principles to routines:** translate principles into guidelines that make good governance actionable, teachable, checkable and habitual. Words, laws or recommendations need to complement with actionable everyday norms and practices.
1. **From short-term to long-term incentives:** make stewardship visible and rewarded within the electoral cycle and give future generations an institutional voice. Better governance requires taking into account of different time periods to avoid risks and deal with structural issues without harming the rights of future generations.

Underlying all four is a discipline this book has returned to repeatedly: judging rules/regulations and decisions over their whole life cycle on all dimensions and for different stakeholder segments, so that simplification serves outcomes and resources are freed for the future.

None of these shifts is radical on their own. What is new is combining them into a single system of measurement, learning and incentives aimed explicitly at trust. No single actor can build such a system alone. It requires political actors, think tanks and standard-setting institutions, together with public institutions, civil society and businesses to move in the same direction with their own contributions.

Processes such as the Council of Europe's New Democratic Pact for Europe and the OECD's *Government Unstuck* agenda offer a rare window of opportunity to do this transformation. Priorities, from listening better, simplifying processes to using resources wisely, and anticipating earlier, show how far understanding has already converged. They ask the right question: what have democracies failed to deliver, and how can that be corrected? The answer proposed here is practical: Define the steps of good governance; observe them; compare them; learn from good examples; and reward those who improve.

Good governance is the way democracy is enacted and lived every day: in every agenda that is set, every resource that is allocated, every citizen who is heard and every result that is honestly reported. Trust is not a gift that citizens owe their institutions. It is a return that institutions can earn through better governance.

Why does this matter so much? Because trust is the foundation of quality of life. A society that trusts its institutions can respond to today's challenges and plan for the long term, settle its disagreements without tearing itself apart and invest in the generations that will follow. Good governance is, in the end, a means to that end: Improving quality of life.

***Book's argument is four shifts to improve trust by moving: perception to practice, isolation to peer learning, principles to routines and short term to long term incentives.***

***No single actor can build such a system alone. It requires political actors, think tanks and standard-setting institutions, together with public institutions, civil society and businesses to move in the same direction with their own contributions.***

# REFERENCES

## Academic


- Acemoglu, D. and Robinson, J.A. (2012), *Why Nations Fail*, Crown, New York.
- Amnesty International (2021), *Xenophobic Machines: Discrimination through Unregulated Use of Algorithms in the Dutch Childcare Benefits Scandal*, London.
- Auerbach, A.J., Gokhale, J. and Kotlikoff, L.J. (1991), "Generational Accounts: A Meaningful Alternative to Deficit Accounting", *Tax Policy and the Economy*, 5.
- Axelrod, R. (1984), *The Evolution of Cooperation*, Basic Books, New York.
- Bevan, G. and Hood, C. (2006), "What's Measured Is What Matters: Targets and Gaming in the English Public Health Care System", *Public Administration*, 84(3).
- Campbell, D.T. (1979), "Assessing the Impact of Planned Social Change", *Evaluation and Program Planning*, 2(1).
- CIPFA and World Bank Group (2016), *Integrated Thinking and Reporting: Focusing on Value Creation in the Public Sector. An Introduction for Leaders*, London and Washington, DC.
- Deming, W.E. (1986), *Out of the Crisis*, MIT Press, Cambridge, MA.
- Edelman (2026), *Edelman Trust Barometer 2026*.
- Fukuyama, F. (2013), "What Is Governance?", *Governance*, 26(3).
- Gawande, A. (2009), *The Checklist Manifesto*, Metropolitan Books, New York.
- Goodhart, C. (1975), "Problems of Monetary Management: The UK Experience", *Papers in Monetary Economics*, Reserve Bank of Australia.
- Holmström, B. and Milgrom, P. (1991), "Multitask Principal–Agent Analyses", *Journal of Law, Economics, and Organization*, 7.
- IIRC (2021), *International <IR> Framework*, International Integrated Reporting Council.
- Kelley, J.G. and Simmons, B.A. (2015), "Politics by Number: Indicators as Social Pressure in International Relations", *American Journal of Political Science*, 59(1).
- Nordhaus, W.D. (1975), "The Political Business Cycle", *Review of Economic Studies*, 42(2).

- O'Neill, O. (2002), *A Question of Trust*, BBC Reith Lectures, Cambridge University Press.
- Olson, M. (1965), *The Logic of Collective Action: Public Goods and the Theory of Groups*, Harvard University Press, Cambridge, MA.
- Ostrom, E. (1990), *Governing the Commons: The Evolution of Institutions for Collective Action*, Cambridge University Press.
- Pascale, R., Sternin, J. and Sternin, M. (2010), *The Power of Positive Deviance*, Harvard Business Press, Boston.
- Pew Research Center (2025), *Public Trust in Government: 1958–2025*, Washington, DC.
- Rosanvallon, P. (2008), *Counter-Democracy: Politics in an Age of Distrust*, Cambridge University Press.
- Scharpf, F.W. (1999), *Governing in Europe: Effective and Democratic?*, Oxford University Press.
- Schmidt, V.A. (2013), "Democracy and Legitimacy in the European Union Revisited: Input, Output and 'Throughput'", *Political Studies*, 61(1).
- Tyler, T.R. (1990), *Why People Obey the Law*, Yale University Press.
- Valgarðsson, V., Jennings, W., Stoker, G., Bunting, H., Devine, D., McKay, L. and Klassen, A. (2025), "A Crisis of Political Trust? Global Trends in Institutional Trust from 1958 to 2019", *British Journal of Political Science*, 55, e15.
- Vibert, F. (2007), *The Rise of the Unelected*, Cambridge University Press.
- Well-being of Future Generations (Wales) Act 2015.


## Council of Europe and European Union


- Council of Europe (2007), *Valencia Declaration*, 15th Session of the Conference of European Ministers responsible for Local and Regional Government.
- Council of Europe (2008), *Strategy on Innovation and Good Governance at Local Level* and the 12 Principles of Good Democratic Governance, Strasbourg.
- Council of Europe (2017), *Guidelines for civil participation in political decision making*, CM(2017)83, Strasbourg.
- Council of Europe (2023), *Reykjavík Declaration: United around our values*, including the Reykjavík Principles for Democracy, Fourth Summit of Heads of State and Government.
- Council of Europe (2024), *Council of Europe Framework Convention*

*on Artificial Intelligence and Human Rights, Democracy and the Rule of Law*, CETS No. 225, Vilnius.

- Council of Europe (2025), *Towards a New Democratic Pact for Europe*, Report of the Secretary General, Strasbourg.
- Council of Europe (2025), *The New Democratic Pact for Europe: What is it?*
- Council of Europe (2026), *The New Democratic Pact for Europe in times of rupture*, Report of the Secretary General.
- Council of Europe, New Democratic Pact for Europe portal.
- informat.ro (October 2026), "The Council of Europe is preparing a new Democratic Pact...".
- Regulation (EU, Euratom) 2020/2092 on a general regime of conditionality for the protection of the Union budget.

## Governance measurement and guidelines

- Argüden, Y. (2011), *Keys to Governance: Strategic Leadership for Quality of Life*, Palgrave Macmillan, London.
- Argüden, Y. (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification*, Business at OECD and Argüden Governance Academy, Paris and Istanbul.
- Argüden, Y. and Argüden Oskay, G. (2024), "Responsible Boards for a Sustainable Future: Not ESG but G(EES)", in Leblanc, R. (ed.), *The Handbook of Board Governance*, 3rd edition, Wiley, Hoboken, NJ.
- Argüden, Y. and Erimez, E. (2023), *Integrated Reporting for Public Sector*, ARGE Consulting, Istanbul.
- Argüden, Y., Argüden Oskay, G. and Erimez, E. (2024), *The Future of Governance is Transformational: Not ESG, but G(EES)*, ARGE Consulting, Istanbul.
- Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*, Argüden Governance Academy Publications, Istanbul. (Cited in text also as Argüden Governance Academy, 2024.)
- Argüden, Y., Erimez, E. and İzci, İ. (2026), *Strengthening Trust in Democracy through Good Governance*, manuscript, Istanbul.
- İzci, İ. and Erimez, E. (2024), *Municipality Governance Scorecard 2023*, Argüden Governance Academy Publications, Istanbul.
- İzci, İ., Erimez, E. and Ateş, M. (2022), *Metropolitan Municipality Governance Scorecard*, Argüden Governance Academy Publications No. 21, Istanbul.

- İzci, İ., Erimez, E. and Türker, M. (2022), *Integrated Municipality Governance Model*, Argüden Governance Academy Publications No. 22, Istanbul.
- Kadıköy Municipality (2018), *First Integrated Report by a Municipality*, Istanbul.
- Öğücü Şen, F. and İzci, İ. (2018), *Governance Scorecard of Municipalities*, Argüden Governance Academy Publications, Istanbul.
- OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard", case study.
- United Nations, SDG Partnerships Platform, "Municipality Governance Scorecard".
- TR Monitor, "Municipality Governance Scorecard attracts global attention".
- arguden.net, "Municipality Governance Scorecard Recognized Globally".


## OECD and United Nations


- OECD (2012), *Recommendation of the Council on Regulatory Policy and Governance*, OECD Publishing, Paris.
- OECD (2014), *Recommendation of the Council on Principles for Independent Fiscal Institutions*, Paris.
- OECD (2019), *PISA 2018 Results*, OECD Publishing, Paris.
- OECD (2020), *Good Practice Principles for Deliberative Processes for Public Decision Making*, OECD Publishing, Paris.
- OECD (2020b), *Regulatory Impact Assessment*, OECD Best Practice Principles for Regulatory Policy, OECD Publishing, Paris.
- OECD (2022), *Building Trust and Reinforcing Democracy: Preparing the Ground for Government Action*, OECD Publishing, Paris.
- OECD (2022b), *OECD Guidelines for Citizen Participation Processes*, OECD Publishing, Paris.
- OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*, OECD Publishing, Paris. Chapter 1
- OECD (2026b), *2026 Global Forum on Building Trust and Reinforcing Democracy. Government Unstuck: Resilient Democracies in a Fast-Changing World*, OECD Conference Centre, Paris, 12–13 October 2026. https://www.oecd-events.org/e/global-forum-on-democracy
- Brezzi, M., González, S., Nguyen, D. and Prats, M. (2021), "An Updated OECD Framework on Drivers of Trust in Public Institutions to Meet Current and Future Challenges", *OECD Working Papers on Public*

*Governance*, No. 48, OECD Publishing, Paris.

- OECD SIGMA (2023), *The Principles of Public Administration*, Paris.
- IFRS Foundation (2023), *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information*, International Sustainability Standards Board, London.
- United Nations Committee of Experts on Public Administration (2018), *Principles of Effective Governance for Sustainable Development*, New York.

## Other governance measures

- International IDEA (2025), *The Global State of Democracy Indices Methodology*, v9.
- Kemp, B. and Jiménez, M. (2013), *State of Local Democracy Assessment Framework*, International IDEA.
- PEFA Secretariat (2018), *PEFA Handbook*.
- QoG Institute (2024), *The European Quality of Government Index 2024: Codebook*, University of Gothenburg.
- Transparency International (2014), *Local Integrity System Assessment Toolkit*.
- Transparency International (2025), *Corruption Perceptions Index 2025: Short Methodology Note*.
- V-Dem Institute (2025), *V-Dem Methodology*, University of Gothenburg.
- World Bank (2025), *The Worldwide Governance Indicators: Revised Methodology*.

# FOOTNOTES

1 OECD (2026), OECD Survey on Drivers of Trust in Public Institutions 2026 Results, OECD Publishing, Paris, https://www.oecd. org/en/publications/oecd- survey-on-drivers-of-trust- in-public-institutions-2026- results_c88c8869-en/ full-report/drivers-of-trust- over-time-lessons-from- the-third-wave-of-the-oecd- trust-survey_440749ab

2 Council of Europe (2026), The New Democratic Pact for Europe in times of rupture, Report of the Secretary General, https://www.coe.int/en/ web/new-democratic- pact-for-europe/-/ europe-s-security-starts- with-democracy-council-of- europe-secretary-general-s-2026-annual-report.

3 Argüden, Y. (2011), Keys to Governance: Strategic Leadership for Quality of Life, Palgrave Macmillan, London.

4 Argüden, Y. (2026), A Dynamic Life Cycle Approach to Regulatory Simplification, Business at OECD and Argüden Governance Academy, Paris and Istanbul; Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), Civil Engagement Model: Building Trust through Good Governance, Argüden Governance Academy Publications, Istanbul, https://argudenacademy.org/publications/Arguden-Governance-Academy-Civil-Engagement-Model-Building-Trust-Through-Good-Governance.pdf?d=2026-02-19-14-57-49

5 OECD (2026b), 2026 Global Forum on Building Trust and Reinforcing Democracy. Government Unstuck: Resilient Democracies in a Fast-Changing World, OECD Conference Centre, Paris, 12–13 October 2026. https://www.oecd-events.org/e/global-forum-on-democracy.

6 Valgarðsson, V., Jennings, W., Stoker, G., Bunting, H., Devine, D., McKay, L. and Klassen, A. (2025), "A Crisis of Political Trust? Global Trends in Institutional Trust from 1958 to 2019", *British Journal of Political Science*, 55, e15, https://doi.org/10.1017/S0007123424000498.

7 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

8 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

9 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

10 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

11 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), Civil Engagement Model: Building Trust through Good Governance

12 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), Civil Engagement Model: Building Trust through Good Governance.

13 Argüden, Y. (2026), A Dynamic Life Cycle Approach to Regulatory Simplification

14 Council of Europe (2008), *Strategy on Innovation and Good Governance at Local Level* and the 12 Principles of Good Democratic Governance, Strasbourg; Council of Europe (2023), *Reykjavík Declaration: United around our values*, including the Reykjavík Principles for Democracy, Fourth Summit of Heads of State and Government

15 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*

16 See Valgarðsson, V., Jennings, W., Stoker, G., Bunting, H., Devine, D., McKay, L. and Klassen, A. (2025), "A Crisis of Political Trust? Global Trends in Institutional Trust from 1958 to 2019", on regional and economic variation

17 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*

18 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*

19 Argüden, Y. and Erimez, E. (2023), *Integrated Reporting for Public Sector*, ARGE Consulting, Istanbul.

20 O'Neill, O. (2002), *A Question of Trust*, BBC Reith Lectures, Cambridge University Press.

21 Scharpf, F.W. (1999), *Governing in Europe: Effective and Democratic?*, Oxford University Press.

22 ibid.

23 Schmidt, V.A. (2013), "Democracy and Legitimacy in the European Union Revisited: Input, Output and 'Throughput'", *Political Studies*, 61(1).

24 Tyler, T.R. (1990), *Why People Obey the Law*, Yale University Press

25 Axelrod, R. (1984), *The Evolution of Cooperation*, Basic Books, New York.

26 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

27 Acemoglu, D. and Robinson, J.A. (2012), *Why Nations Fail*, Crown, New York.

28 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

29 Council of Europe (2008), *Strategy on Innovation and Good Governance at Local Level*.

30 OECD (2012), *Recommendation of the Council on Regulatory Policy and Governance*, OECD Publishing, Paris.

31 United Nations Committee of Experts on Public Administration (2018), *Principles of Effective Governance for Sustainable Development*, New York.

32 O'Neill, O. (2002), *A Question of Trust*; Bevan, G. and Hood, C. (2006), "What's Measured Is What Matters: Targets and Gaming in the English Public Health Care System", *Public Administration*, 84(3).

33 Argüden, Y. (2011), *Keys to Governance: Strategic Leadership for Quality of Life*. Argüden, Y. and Erimez, E. (2023), *Integrated Reporting for Public Sector*.

34 Brezzi, M., González, S., Nguyen, D. and Prats, M. (2021), "An Updated OECD Framework on Drivers of Trust in Public Institutions to Meet Current and Future Challenges", *OECD Working Papers on Public Governance*, No. 48, OECD Publishing, Paris.

35 Argüden, Y., Argüden Oskay, G. and Erimez, E. (2024), *The Future of Governance is Transformational: Not ESG, but G(EES)*, ARGE Consulting, Istanbul, https://arge.com/wp-content/uploads/2024/09/The-Future-of-Governance-is-Transformational-Not-ESG-But-GEES.pdf.

36 Holmström, B. and Milgrom, P. (1991), "Multitask Principal–Agent Analyses", *Journal of Law, Economics, and Organization*, 7.

37 Bevan, G. and Hood, C. (2006), "What's Measured Is What Matters: Targets and Gaming in the English Public Health Care System".

38 Goodhart, C. (1975), "Problems of Monetary Management: The UK Experience", *Papers in Monetary Economics*, Reserve Bank of Australia.

39 Campbell, D.T. (1979), "Assessing the Impact of Planned Social Change", *Evaluation and Program Planning*, 2(1).

40 Deming, W.E. (1986), *Out of the Crisis*, MIT Press, Cambridge, MA.

41 OECD (2019), *PISA 2018 Results*, OECD Publishing, Paris.

42 Nordhaus, W.D. (1975), "The Political Business Cycle", *Review of Economic Studies*, 42(2).

43 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

44 Vibert, F. (2007), *The Rise of the Unelected*, Cambridge University Press.

45 Sources: World Bank (2025), The Worldwide Governance Indicators: Revised Methodology; Transparency International (2025), Corruption Perceptions Index 2025: Short Methodology Note; V-Dem Institute (2025), V-Dem Methodology, University of Gothenburg, https://www.v-dem.net/documents/56/methodology.pdf; International IDEA (2025), The Global State of Democracy Indices Methodology, v9, https://www.idea.int/sites/default/files/2025-06/global-state-of-democracy-indices-methodology-version-9-2025.pdf; OECD (2026), OECD Survey on Drivers of Trust in Public Institutions 2026 Results; PEFA Secretariat (2018), PEFA Handbook, https://www.pefa.org/sites/pefa/files/200225%20PEFA%20Handbook%20Vol%20II_v2.pdf; OECD SIGMA (2023), The Principles of Public Administration, Paris, https://www.sigmaweb.org/content/dam/sigma/en/publications/reports/2023/11/the-principles-of-public-administration_5e68f805/7f5ec453-en.pdf; QoG Institute (2024), The European Quality of Government Index 2024: Codebook, University of Gothenburg, https://www.qogdata.pol.gu.se/data/codebook_eqi_24.pdf; Kemp, B. and Jiménez, M. (2013), State of Local Democracy Assessment Framework, International IDEA, https://www.idea.int/sites/default/files/publications/state-of-local-democracy-assessment-framework.pdf; Transparency International (2014), Local Integrity System Assessment Toolkit, https://files.transparencycdn.org/images/2014_LISToolkit_EN.pdf; Council of Europe (2008), Strategy on Innovation and Good Governance at Local Level.

46 Fukuyama, F. (2013), "What Is Governance?", *Governance*, 26(3).

47 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

48 Argüden, Y. and Argüden Oskay, G. (2024), "Responsible Boards for a Sustainable Future: Not ESG but G(EES)", in Leblanc, R. (ed.), *The Handbook of Board Governance*, 3rd edition, Wiley, Hoboken, NJ; Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

49 Öğücü Şen, F. and İzci, İ. (2018), *Governance Scorecard of Municipalities*, Argüden Governance Academy Publications, Istanbul; İzci, İ. and Erimez, E. (2024), *Municipality Governance Scorecard 2023*, Argüden Governance Academy Publications, Istanbul, https://arguden.net/en/book/municipality-governance-scorecard-2023/.

50 OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard", case study, https://oecd-opsi.org/?p=7904.

51 United Nations, SDG Partnerships Platform, "Municipality Governance Scorecard", https://sdgs.un.org/partnerships/municipality-governance-scorecard.

52 OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard".

53 İzci, İ., Erimez, E. and Ateş, M. (2022), *Metropolitan Municipality Governance Scorecard*, Argüden Governance Academy Publications No. 21, Istanbul, https://metropolitangovernance.argudenacademy.org/.

54 İzci, İ., Erimez, E. and Türker, M. (2022), *Integrated Municipality Governance Model*, Argüden Governance Academy Publications No. 22, Istanbul, https://integratedgovernance.argudenacademy.org/.

55 Council of Europe (2024), *Council of Europe Framework Convention on Artificial Intelligence and Human Rights, Democracy and the Rule of Law*, CETS No. 225, Vilnius.

56 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

57 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

58 Pew Research Center (2025), *Public Trust in Government: 1958–2025*, Washington, DC.

59 Fukuyama, F. (2013), "What Is Governance?"; OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard".

60 Bevan, G. and Hood, C. (2006), "What's Measured Is What Matters: Targets and Gaming in the English Public Health Care System".

61 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*; Tyler, T.R. (1990), *Why People Obey the Law*.

62 O'Neill, O. (2002), *A Question of Trust*.

63 Pascale, R., Sternin, J. and Sternin, M. (2010), *The Power of Positive Deviance*, Harvard Business Press, Boston.

64 Kelley, J.G. and Simmons, B.A. (2015), "Politics by Number: Indicators as Social Pressure in International Relations", *American Journal of Political Science*, 59(1).

65 Sources: Council of Europe GRECO; OECD; European Commission; Open Government Partnership; Council of Europe Centre of Expertise for Good Governance.

66 İzci, İ. and Erimez, E. (2024), *Municipality Governance Scorecard 2023*.

67 OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard".

68 TR Monitor, "Municipality Governance Scorecard attracts global attention", https://www.trmonitor.net/municipality-governance-scorecard-attracts-global-attention/.

69 Pascale, R., Sternin, J. and Sternin, M. (2010), *The Power of Positive Deviance*; Kelley, J.G. and Simmons, B.A. (2015), "Politics by Number: Indicators as Social Pressure in International Relations".

70 Deming, W.E. (1986), *Out of the Crisis*.

71 United Nations, SDG Partnerships Platform, "Municipality Governance Scorecard".

72 Gawande, A. (2009), *The Checklist Manifesto*, Metropolitan Books, New York.

73 Council of Europe (2017), *Guidelines for civil participation in political decision making*, CM(2017)83, Strasbourg.

74 OECD (2022b), *OECD Guidelines for Citizen Participation Processes*, OECD Publishing, Paris.

75 OECD (2020), *Good Practice Principles for Deliberative Processes for Public Decision Making*, OECD Publishing, Paris.

76 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

77 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

78 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

79 Argüden, Y. and Erimez, E. (2023), *Integrated Reporting for Public Sector*.

80 İzci, İ., Erimez, E. and Ateş, M. (2022), *Metropolitan Municipality Governance Scorecard*. Argüden, Y. and Erimez, E. (2023), *Integrated Reporting for Public Sector*.

81 Amnesty International (2021), *Xenophobic Machines: Discrimination through Unregulated Use of Algorithms in the Dutch Childcare Benefits Scandal*, London.

82 Council of Europe (2024), *Council of Europe Framework Convention on Artificial Intelligence and Human Rights, Democracy and the Rule of Law*.

83 Argüden, Y. (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification*.

84 ibid.

85 ibid.

86 ibid.; OECD (2012), *Recommendation of the Council on Regulatory Policy and Governance*.

87 Gawande, A. (2009), *The Checklist Manifesto*; Council of Europe (2017), *Guidelines for civil participation in political decision making*.

88 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

89 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

90 Argüden, Y. (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification*.

91 Olson, M. (1965), *The Logic of Collective Action: Public Goods and the Theory of Groups*, Harvard University Press, Cambridge, MA.

92 Ostrom, E. (1990), *Governing the Commons: The Evolution of Institutions for Collective Action*, Cambridge University Press.

93 Nordhaus, W.D. (1975), "The Political Business Cycle".

94 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

95 TR Monitor, "Municipality Governance Scorecard attracts global attention".

96 OECD (2014), *Recommendation of the Council on Principles for Independent Fiscal Institutions*, Paris.

97 Regulation (EU, Euratom) 2020/2092 on a general regime of conditionality for the protection of the Union budget.

98 TR Monitor, "Municipality Governance Scorecard attracts global attention".

99 Kelley, J.G. and Simmons, B.A. (2015), "Politics by Number: Indicators as Social Pressure in International Relations".

100 O'Neill, O. (2002), *A Question of Trust*.

101 OECD (2020b), *Regulatory Impact Assessment*, OECD Best Practice Principles for Regulatory Policy, OECD Publishing, Paris.

102 Auerbach, A.J., Gokhale, J. and Kotlikoff, L.J. (1991), "Generational Accounts: A Meaningful Alternative to Deficit Accounting", *Tax Policy and the Economy*, 5.

103 IIRC (2021), *International <IR> Framework*, International Integrated Reporting Council.

104 Argüden, Y. (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification*.

105 Argüden, Y. (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification*; Auerbach, A.J., Gokhale, J. and Kotlikoff, L.J. (1991), "Generational Accounts: A Meaningful Alternative to Deficit Accounting".

106 CIPFA and World Bank Group (2016), *Integrated Thinking and Reporting: Focusing on Value Creation in the Public Sector. An Introduction for Leaders*, London and Washington, DC.

107 Kadıköy Municipality (2018), *First Integrated Report by a Municipality*, Istanbul, https://arge.com/wp-content/uploads/2018/12/Kadikoy-Municipality-First-Integrated-Report.pdf. Argüden, Y. and Erimez, E. (2023), *Integrated Reporting for Public Sector*.

108 IFRS Foundation (2023), *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information*, International Sustainability Standards Board, London. Argüden, Y. and Erimez, E. (2023), *Integrated Reporting for Public Sector*.

109 Kelley, J.G. and Simmons, B.A. (2015), "Politics by Number: Indicators as Social Pressure in International Relations".

110 OECD (2014), *Recommendation of the Council on Principles for Independent Fiscal Institutions*.

111 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

112 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

113 Argüden, Y., Argüden Oskay, G. and Erimez, E. (2024), *The Future of Governance is Transformational: Not ESG, but G(EES)*.

114 OECD (2026b), *2026 Global Forum on Building Trust and Reinforcing Democracy. Government Unstuck: Resilient Democracies in a Fast-Changing World*.

115 Council of Europe (2026), *The New Democratic Pact for Europe in times of rupture*.

116 informat.ro (October 2026), "The Council of Europe is preparing a new Democratic Pact...", https://informat.ro/en/eu/council-of-europe-democratic-pact-142170.

117 Council of Europe (2025), *The New Democratic Pact for Europe: What is it?*, https://rm.coe.int/2pager-new-democratic-pact-for-europe/1680b650f2.

118 Council of Europe (2025), *The New Democratic Pact for Europe: What is it?*.

119 Council of Europe (2008), *Strategy on Innovation and Good Governance at Local Level*; Council of Europe (2023), *Reykjavík Declaration: United around our values*.

120 Rosanvallon, P. (2008), *Counter-Democracy: Politics in an Age of Distrust*, Cambridge University Press.

121 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

122 O'Neill, O. (2002), *A Question of Trust*.

123 Fukuyama, F. (2013), "What Is Governance?"; Pascale, R., Sternin, J. and Sternin, M. (2010), *The Power of Positive Deviance*

124 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

125 OECD (2020), *Good Practice Principles for Deliberative Processes for Public Decision Making*; OECD (2022b), *OECD Guidelines for Citizen Participation Processes*.

126 OECD (2012), *Recommendation of the Council on Regulatory Policy and Governance*.

127 United Nations Committee of Experts on Public Administration (2018), *Principles of Effective Governance for Sustainable Development*.

128 OECD Observatory of Public Sector Innovation, "Municipality Governance Scorecard".

129 Argüden, Y. (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification*.

130 United Nations Committee of Experts on Public Administration (2018), *Principles of Effective Governance for Sustainable Development*.

131 Council of Europe (2017), *Guidelines for civil participation in political decision making*.

132 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

133 Kelley, J.G. and Simmons, B.A. (2015), "Politics by Number: Indicators as Social Pressure in International Relations".

134 OECD (2014), *Recommendation of the Council on Principles for Independent Fiscal Institutions*.

135 Argüden, Y. (2026), *A Dynamic Life Cycle Approach to Regulatory Simplification*.

136 Gawande, A. (2009), *The Checklist Manifesto*.

137 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

138 Pascale, R., Sternin, J. and Sternin, M. (2010), *The Power of Positive Deviance*.

139 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

140 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

141 Fukuyama, F. (2013), "What Is Governance?".

142 Bevan, G. and Hood, C. (2006), "What's Measured Is What Matters: Targets and Gaming in the English Public Health Care System"

143 Pascale, R., Sternin, J. and Sternin, M. (2010), *The Power of Positive Deviance*.

144 Kelley, J.G. and Simmons, B.A. (2015), "Politics by Number: Indicators as Social Pressure in International Relations".

145 OECD (2022b), *OECD Guidelines for Citizen Participation Processes*.

146 Tyler, T.R. (1990), *Why People Obey the Law*.

147 OECD (2026), *OECD Survey on Drivers of Trust in Public Institutions 2026 Results*.

148 Argüden, Y., Ilgaz, P., Erimez, E., İzci, İ. and Binici, Ö. (2024), *Civil Engagement Model: Building Trust through Good Governance*.

149 United Nations Committee of Experts on Public Administration (2018), *Principles of Effective Governance for Sustainable Development*.

ARGÜDEN GOVERNANCE ACADEMY

Good Governance for Quality of Life

Argüden Governance Academy is a think-tank dedicated to improve the quality of governance in public, non-profit, private, and international organizations. The Academy's mission is to improve the quality of governance to increase trust for organizations in order to achieve a sustainable future and improve the quality of life. With the vision of being 'a center of excellence' for development and widespread adoption of good governance culture, the Academy brings together leaders from all age groups, private sector, civil society organizations, public institutions, and international organizations.

Since 2014, the Academy has completed a decade of impactful initiatives, striving to foster the development and widespread adoption of a culture of trust at public, private, and civil society organizations.

In its 10-year journey, fostering trust in institutions through a holistic and integrated governance approach, the Academy has:

- Organized more than 100 training programs, graduating approximately 6,000 individuals.
- Evaluated the governance quality of around 1,500 institutions in 25 projects.
- Published over 100 publications, reports, and articles that intellectually guide the development of governance.
- Engaged with over 100,000 individuals through more than 350 events, contributing to the internalization of the culture of good governance in both individuals and institutions.
- Enhanced the value created by collaborating with over 350 institutions active in every sector.
- Leveraged in-kind contributions to the maximum extent, utilizing every $1 of cash donation to raise a $1.5 in-kind contribution. This approach enabled the implementation of activities with an economic cost of $2.5 for each $1 of donation.
- Benefited from the support of hundreds of volunteers who, believing in the importance of good governance for a sustainable future, contributed over 40,000 volunteer working hours to the Academy's initiatives.

***Argüden Governance Academy is a think-tank dedicated to improve the quality of governance in public, non-profit, private, and international organizations.***

**Our Purpose:**
Improving quality of life and sustainability of the future.

**Our Mission:**
Improving quality of governance to improve trust for organizations.

**Our Vision:**
Being 'a center of excellence' for development and widespread adoption of good governance culture.

**Target Audience:**
Current and future leaders of public sector institutions, private sector companies, NGOs, and international institutions; as well as individuals of all ages, from 7 to 77

The Academy conducts impact research such as Sustainability Governance Scorecard© that analyzes over 200 Global Sustainability Leaders from 7 different stock exchanges to help improve peer learning on sustainability, which was picked among good examples to improve the sustainability on a global scale at the G20 Tokyo, and Municipality Governance Scorecard© that was recognized by the OECD and UN as a governance innovation for local governments, as well as developing and conducting education programs for public, corporate, and NGO leaders. Academy's education programs on governance also target children and youth, and a vibrant Youth Network has been developed covering 40 universities in over 20 cities.

***Argüden Governance Academy is the first Turkish institution to adopt Integrated Reporting and a global pioneer among the NGOs by reporting its activities as an Integrated Report since its founding.***

The Academy also conducts good governance advocacy programs such as leading the process of awarding the European Label of Governance Excellence (ELoGE) and School on Participatory Democracy, in collaboration with international organizations such as the Council of Europe.

Argüden Governance Academy is the first Turkish institution to adopt Integrated Reporting and a global pioneer among the NGOs by reporting its activities as an Integrated Report since its founding. The Academy also promotes adoption of Integrated Reporting not only for the private sector companies, but also in the public sector and NGOs.

For any further questions on the publication, please contact us:

**Argüden Governance Academy**

Akasya Caddesi No: 2 Göztepe Mah.,
Göksu Anadolu Hisarı, 34815 İstanbul, Türkiye

Phone: +90 (216) 280 51 14

E-mail: info@argudenacademy.org

Website: argudenacademy.org

# Good governance for quality of life

## DONORS





































Argüden Governance Academy is a think-tank dedicated to improve the quality of governance in public, non-profit, private, and international organizations.

**www.argudenacademy.org**

Argüden Governance Academy
ArgudenAkademi
ArgudenAkd
ArgudenAkademi

ISBN: 978-605-2288-37-5