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Governance / Benefit / Cost

The keywords 'governance', 'benefit' and 'cost' represent a meaningful combination in the context of urban government, especially with respect to decision making processes. 'Benefit' and 'cost' can hereby be seen as a dualism, serving as a powerful tool in assessing the governing processes and the balancing of positive and negative consequences of policies. Benefit-cost analysis is a tool often used in engineering economics to decide between alternative choices or designs; numerous methods exist to, for instance, monetise non-monetary gains and efforts. The situation at the level of urban governance is much more complex, where the question is crucial as to who is benefitting and who is paying the cost, if it is indeed possible to determine it precisely. At the urban level, a powerful few make decisions on behalf of an often powerless majority and only those with power can control the costs to themselves while seeking the greatest benefit. The recent Occupy movement highlights just such misplaced priorities of the powerful and the resulting frustrations of the majority. In this way, good urban governance must be responsible and seek benefit beyond the interests of the few in favour of the many.

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Etymology

The noun **'GOVERNANCE'** or the act of governing is derived from the Greek verb 'κυβερνάω' [kubernào] (to steer) that is at the origin of the Latin verb 'gubernare'. Kubernào is the root of words like 'to govern' and 'government', but also of the prefix 'cyber', which is used in cybernetics (science of self-regulatory networks and systems) and cyberspace (virtual space / realm of electronic communication).

Plato used it for the first time in his work 'The Republic', in a metaphorical sense to describe the act of governing. The old French word 'gouvernance' was used since the 13th century to describe the art and manner of governing, both in political and domestic areas. Its use disappeared thereafter, in some cases in conjunction with its association with the Ancien Régime. It only resurfaced in the 1970s with Foucault's academic discourse and in the 1990s in its English form when it was used by economists, political scientists and different international organisations, often to differentiate between good and bad governance, again in the sense of the art and manner of governing.

The word **'BENEFIT'** originates from the Latin word 'benefactum' (good deed), based on 'bene facere', (doing well). From there it evolved into the Anglo-French word 'benfet 'in the 14th century or the modern day French version 'bien' (well) and 'faite' (done).

'Benefit' is both noun and verb, meaning an advantage or a profit gained from something. The noun is also used as financial support by an organisation, mostly the state, e.g. housing benefit, winter fuel benefit. One is generally entitled to this support through membership or employment, e.g. pension payments, or in the case of the state through residency or citizenship. 'Benefit' also describes a fundraising event for a charitable cause.

The word 'cost', both as noun and verb, has two strands of meaning in today's language: it stands most commonly for the monetary price of an item or for the loss of something, e.g. drink-driving cost her the driving licence, in the sense of a real or abstract expense. The other meaning of 'cost' is to estimate the value or the price of something.

'COST' has its roots in the Latin verb 'constare' (to stand at or to stand with), which is composed of the prefix 'com-' (with) and 'stare' (to stand). This meaning is similar to the Old English word 'cystan' which means to spend, to get the value of or to procure. A slightly different meaning comes from the Old English words 'cyst' (proof, test, trial, choice) and 'čēosan' (to choose), indicating the relative nature of cost, in its function of comparing the value of goods for monetary exchanges.

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Fig. 1: 'No'-signs at entrance to Little India MRT station, Singapore, 2011

No smoking — Fine $1000
No eating and drinking — Fine $500
No flammable goods — Fine $5000
No durians

Keywords in Context

Singapore Gambling

'Weighing against that balance, we decided yes, we may have (social) casualties, but against those casualties, the gain in gaining these big shows, getting these big conventions to come to Singapore, which goes with the casinos which is part of the Integrated Resorts is enormous... Is it cost-free (In terms of social costs)? I don't think it will be completely cost-free. Is it cost-containable? Yes.'

The Straits Times, 4th of November 2006 as quoted in Soh & Yuen, *Singapore's changing spaces.* Words in parentheses added for clarity

To put this discussion in the local context of Singapore, we would like to discuss the above quotation made by Lee Kuan Yew in 2006. Singapore, as will be discussed further, is a very good example of strong governance; the authorities are extremely proactive in taking decisions on behalf of the Singaporean population. This quotation highlights the guiding principles of Singapore's governance and also the fine balance needed not only between the benefit and cost of a decision, but between differing concepts of benefit and of cost.

In 2004 the Singaporean government decided to revoke its previous ban on casinos and in 2006 received proposals for their addition to the integrated resorts on Sentosa. There was much organised opposition to the reversal of this policy, particularly from religious groups and the decision was seen to go against consensus. Despite this, Lee Kuan Yew justified his action in the language above. Economic growth has long been a key principle of Singapore's governing strategy, and in this goal it has been extremely successful. The casino resorts were considered to meet goals of economic tourism and they were projected to bring great profit. Here there is a clear balance being sought between economic benefit and social cost, between which there are no clear scales of measurement. In fact, Singapore has utilised its ability for strong governance to 'contain' the social cost with policies such as the right of any spouse to have their partner banned from a casino in order to limit the negative effects of gambling addiction. The economic benefits to the city have been clear, but any social benefits are less so. In this case, monetary benefits were prioritised above concerns about social cost.

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GAZETTE

Fig. 2: Ambrogio Lorenzetti, 'The Effect of Good Government Upon the City and Countryside'. Fresco, Sienna, 14th Century. Image from Georgia Southern University

Governance / Benefit / Cost

Governance: the process by which one body enacts decisions on behalf of another body. The Greek root of 'governance' is 'to steer', inferring that the decisions taken guide the governed body towards an intended end, or at least are guided with intent. This end can be for the benefit of, or to the cost of one, all, some or none of the bodies involved in any configuration. This configuration, or balance, of cost and benefit depends upon the mode of governance and is what Michel Foucault termed 'The Art of Governance', a form of governmentality.

Modes of governance can range from a dictatorship to a self-governing entity. There are also many scales of governance – from the way in which we govern ourselves (and allow ourselves to be governed), to the way in which a city or a country is governed. Below is a table adapted from Foucault's essay 'Governmentality', and just as Foucault was concerned with the broadening scope of government, we here have expanded on the three scales of governmentality found in the essay. First, there is the question of how to govern ourselves; we constantly make decisions about how to conduct our lives and this impacts not only us but it impacts the people around us; this could be seen either on a personal scale or on the scale of conformity to social norms. Secondly, there is the scale of the population. The idea of population was key to Foucault who argued that with the knowledge gained from the science of statistics, the population and all its specific phenomena would emerge. This provided a focus for modern modes of government where it 'has as its principle not the act of government itself, but the welfare of the population, the improvement of its condition, the increase of its wealth, longevity, health, etc.' (1991: Foucault, 100) Foucault goes on to posit the population as 'a field of intervention' whereby statistical data is used as a technique of government. Governance thus becomes a demonstration of power, and by providing this data and unwittingly performing according to these predictable phenomena, we accept to be governed. The next scale is that of the state and how a government chooses to make decisions. We would also add a further two scales for the contemporary globalised context. The corporate body is very active and influential in politics, openly funding and lobbying. Self-governing systems are becoming more sophisticated and are enabled by advances in technology.

Using Figs. 1 + 3 we shall now discuss contextual examples of different modes of governance; strong and self governance.

Self	How to govern oneself	Responsibility
Population	How to be governed	Economy
State	How to govern others	Politics
Corporate	How to govern governors	Capitalising
Systems	How to self-govern	Cybernetics

Singapore is a very good example of strong governance. Fig. 1 shows the signs present in all MRT stations in Singapore and this is a very literal illustration of one body taking decisions on behalf of another for the increased benefit of all. The authorities in Singapore wish to create a pleasant and safe travelling environment and so have forbidden certain activities. Instead of leaving the decision of whether a drink will become an unsociable element – either through its odour or becoming litter – to the individual, the authorities have removed the capacity to make this decision. The benefit is clear, the costs are incurred in the monetary costs of enforcement and the more abstract cost of choice to the individual.

Wikipedia is an example of a self-governing organisation. Decisions are made by a process of consensus that poses no limit on the amount of participants. This is not to say that there are no techniques for controlling the actions of participants – there are levels of access and a hierarchy of preferred 'expert' users. There are also policies to safeguard the organisation against misuse; often a user will be blocked from adding content if past behaviour has been deemed inappropriate. However, Wikipedia's policies are intentionally fluid and reflect the collective behaviour of its users rather than prescribing strict policy. In fact its policy pages are openly editable like any other Wikipedia page. The diagraph in Fig. 3 shows a visualisation of acitivity on Wikipedia regarding a particularly contentious issue. Each time a user joins an AfD (Article for Deletion) discussion and recommends to keep an article a green segment leaning towards the left is added. Each time a user recommends to delete the article a red segment leaning towards the right is added. An administrator then closes the discussion based on argumentation and not on simple majority. This mode of governance arguably results in high benefits with low costs. High benefits are gained in terms of freedom of speech and freedom of content and there are no monetary costs to casual users and participants. The expert editors, however, do spend a lot of time on the Wikipedia project although this is entirely voluntary.

Governmentality is also a process and Foucault charts the emergence of modern forms of government from the sovereign states of the Middle Ages. Government has not just to do with ruling over and securing a territory, as in the case of sovereign governments, but has to do with 'a complex of men and things'. (1991: Foucault, 93) Here it might be useful to look at Ambrogio Lorenzetti's allegorical fresco 'The Effect of Good Government' [Fig. 2] in the Palazzo Pubblico in Sienna from the 14th century. It comes from around the period Foucault is talking about; after the medieval times. The frescoes show the effects of good governance on both the city and the country and employ the concept of good social, economic and environmental governance; there are well-tended and stocked shops, there is a joyful wedding, the city is clean, the country is well-ordered and plentiful. It may be anachronistic to say that it illustrates a sustainable urban environment, but it is clearly an allegory for the necessity of a delicate balance of many elements through good governance. Professors at the FCL have utilised the work as it also illustrates the idea of 'hinterland' – the extended territory of cities – and the necessary reciprocal relationship between the 'urban' and the 'rural'.
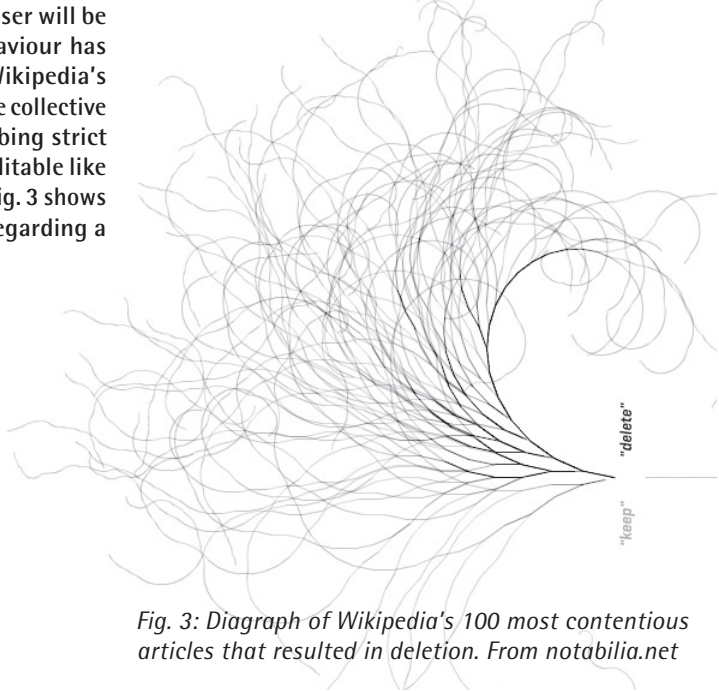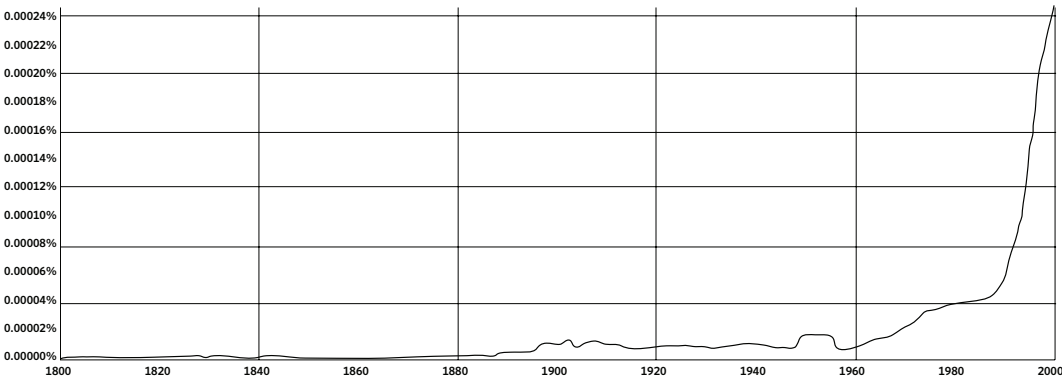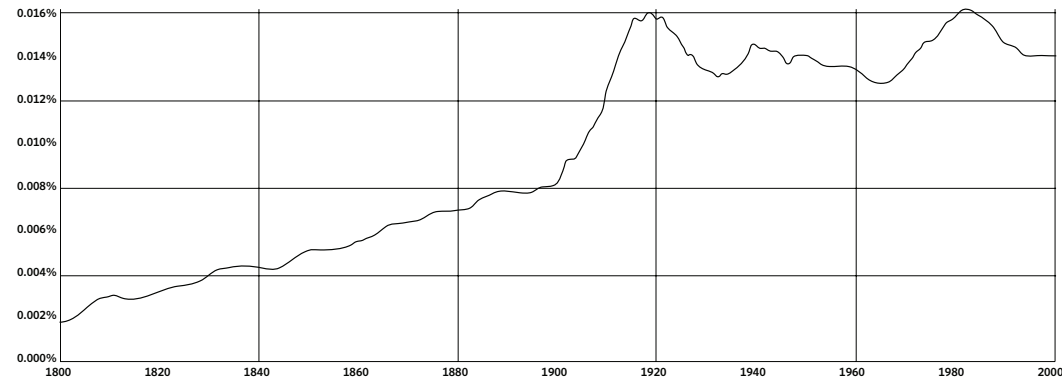
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Fig. 3: Diagraph of Wikipedia's 100 most contentious articles that resulted in deletion. From notabilia.net

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Governance

Benefit

Cost

The graphs above were created with the Google Ngram Viewer, a tool that quantifies cultural trends based upon analysis of a massive database of books. In the above case, it browsed through millions of English books stored in the Google Books database and analysed the usage of single words (unigrams) in each year since 1800. The process helps to illustrate trends of the importance of certain keywords but has to be interpreted cautiously.

The reader should notice that the scale of frequencies of these three unigrams is very different. 'Cost' appears much more frequently in books than the others; its peak frequency is more than twice as high as that of 'benefit' and almost 10 times as high as the highest frequency of 'governance'.

The diverging pathways of the appearances of these unigrams is interesting: While the use of 'benefit' varies very little for the entire dataset, the appearance of 'cost' in books rose first steadily in the 19th century and then steeply to peak in the early 20th century. It has persisted since then and is used on average once every 6250 words, or 25 pages. The graph of 'governance' however tells the story of an underused word that perhaps came back into focus after the 1970s when Foucault brought it into the academic discourse and international organisations used it to direct and assess their interventions.

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