Book Reviews

The Quiet Power of Indicators: Measuring Governance, Corruption and Rule of Law. Sally Engle Merry, Kevin E. Davis, and Benedict Kingsbury, eds. New York: Cambridge University Press, 2015. 369 pp. $34.99 (paper).

The importance of institutions for economic development has become one of the key *leitmotifs* of development theory and practice over the last few decades. International institutions like the United Nations Development Program and the World Bank—followed by many other donor agencies—have incorporated these insights into the concept of "governance" and turned support for governance reforms into one of the steady growth areas in international development cooperation since the mid-1990s. A quick data check from the Organization for Economic Co-operation and Development, Development Advisory Committee (OECD/DAC) statistics portal shows that donor commitments to projects and programs in the area of "Government & Civil Society" has grown from less than US$2 billion in the mid-1990s to around US$20 billion in recent years, or more than 10% of total foreign aid flows.

The interest in—and need for—indicators to measure the many different possible dimensions of institutions and governance has grown in parallel, as development actors searched for data that could help their programming and evaluations. Governance indicators, in fact, have become a cottage industry in recent years, with a growing number of new tools and measurements hitting an already crowded market where some do not survive, while increasing choice leads to a certain degree of consumer confusion and frustration. To give a sense of the range of indicators now available, the Worldwide Governance Indicators project, which produces annual league tables of countries' governance performance along six dimensions—voice and accountability, political stability, government effectiveness, regulatory quality, rule of law and control of corruption—is based on more than 30 different sources of data, ranging from surveys to expert opinions, and produced by a plethora of public, private and nonprofit organizations.

The Quiet Power of Indicators brings fresh questions to this burgeoning field, and sheds some light on some important contradictions. One of the key facts that the authors reflect on is that once produced, indicators—defined as "named collections of rank-ordered data that purport to represent the past or projected performance of different units"—tend to take on a life of their own, with quantification giving an appearance of objectivity and measurability that often defies many of the things that are known about the elusive and changing nature of institutions and governance, and about how context-specific some of their characteristics are. The contradictions that surface are many: Do indicators really measure what they are trying to measure? Are they as neutral and objective as they claim to be? How are they used to bring about policy change? And, what impact do they actually have?

The collection of essays in this book is a welcome reminder that these contradictions are very real, although often overlooked by both producers and users of governance indicators. The book is divided into two main sections, the first mostly

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looking at how different indicators are produced, and the second one looking at how they are utilized in different local contexts, as well as their impact, both hoped for and unexpected. The essays in the first section focus on how different indicators, ranging from Freedom House's democracy index to indicators looking at the rule of law and corporate accountability, fare in terms of conceptualization and production.

The Freedom House case study is particularly interesting, given the indicator's long history and enduring reputation. It highlights the many shortcomings of the conceptualization and production methodology underlying the "Freedom in the World" index, and how changes to the indicator were often motivated by the reputational benefits they brought to the producing organization rather than focused on improving the reliability and robustness of its measurements. The analysis further shows that its designers have limited regard for contextualizing what political freedom might mean across different contexts, or for some of the possible deleterious, unintended effects that the indicator's results might have in real-world decisions such as those related to donor funding. Another interesting chapter compares the approaches adopted by the Millennium Challenge Corporation (MCC) and by the European Union (EU) in deciding which countries qualify for their support and—in the EU's case—for admission to the union, based on governance criteria. The quantitative approach adopted by the MCC seems more objective and transparent, but often fails to provide clear reasons for some of the decisions taken, and therefore a useful roadmap for countries' needed improvements. The EU's approach, conversely, relies heavily on qualitative criteria, using ongoing dialogue and regular reporting to ensure that a due process is followed. While this ensures that more information exists on how negotiations happened, it still falls short of providing an objective account of how decisions are taken. In both cases, power asymmetries loom large, and participation and accountability are undermined.

Interesting insights also come from some of the chapters in the second section, especially those that examine the use of corruption indicators as entry points for promoting country-level reforms in Albania and Kenya. In both cases, corruption surveys and indicators produced using global methodologies—sponsored by USAID and Transparency International, respectively—clashed with local perceptions and realities, and were often questioned by domestic actors. As a consequence, and despite the fact that they did help raise the issue of corruption in public debate, their impact was limited.

The themes discussed in the book are important for anyone working with issues broadly related to institutions, governance, and development. Governance indicators are not likely to disappear any time soon, given their importance for both research and policy purposes. Yet, as the authors point out, much more attention should be given to: (1) how they are designed, questioning their underlying assumptions and potential biases; (2) the transparency of the whole process, from conceptualization to data collection and analysis, to their actual use; (3) the extent to which they allow for country-specific adaptation and can be used to promote meaningful domestic debate around governance realities and reform prospect; and (4) to how they are used in designing reforms and promoting change. As the concluding chapter rightly points out, "indicators strive to appear objective and neutral and they need to maintain that appearance to be credible. But they are in essence political creatures." In an interesting twist of fate, it therefore seems that the governance indicators' industry is in need of better governance itself.

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