Popular Participation & Decentralization In Africa

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I. **Introduction: Purpose and Scope**

*Rethinking and Reinventing African Governance*

1. The importance of peoples’ participation in systems of collective decision making (that of governments and governance) is far from a new idea. Nor is the recognition of the reinforcing link between participation and decentralized governance new. But what is different now is that more than any time since the post WWII decline of colonialism and the ongoing collapse of the authoritarian socialist state, there is new impatience as people are seeing for improvements—indeed, excellence—in education, in health and welfare, in the quality of community life, and in opportunity and creativity.

2. In the western world, decentralization has been carried out to reorganize the organizational structure of government. The main goal has been the provision of public goods and services cost effectively in the "post-welfare state" era (Wildasin, 1997). Developing countries are turning to fiscal decentralization to escape from the traps of ineffective and inefficient governance, macroeconomic instability, and inadequate economic growth (Bird and Vaillancourt, 1999). Throughout post-communist Central and Eastern Europe, decentralization of the state is the popular “reaction from below” in making a transition from a socialist system to market economy and democracy (Bird, Ebel, and Wallich, 1995). Similarly, for Asia, cite (cite WDR) and LAC (cite Campbell).

3. Africa? As with any large region—and, of course, in the African continent case of the most number of nation-states in the world (57) and a plethora of inter-as well as intra-state regions, any generalizations about “Africa” must be made with both care and caveats. But, that said, one can draw some credible conclusions and make empirical statements about the public sector reform nature, scope and pace of a continent that the *African Charter for Popular Participation in Development and Transformation* (*Arusha Declaration*, Tanzania, February 1990) characterizes as having an “over-centralization of power and impediments to the effective participation of the overwhelming majority [in decisions regarding] social political and economic development”.

4. This “over centralizations” is in large part due to Africa’s colonial past there is a deeply ingrained ---, imposed, but nevertheless ingrained--tradition of an central state. This legacy is most pronounced in francophone countries a bit less so in Anglophone societiesand with North Africa somewhere between the French and British models (Ndegwa, 2002; UCLG, 2008, p 28).

5. That said, beginning in the mid-1990s there has been a “discernable” movement toward decentralization (UCLG, 29) though even in places where it is taking hold it is “in need of
deepening” (Ndegwa, 1, UCLG p30). Ndegwa’s research on Sub-Sub-Saharan Africa (2002) concludes that only Madagascar, Uganda, Ethiopia and Eritrea can be said to have diverged from the pattern essentially founded upon colonial administrative system. The report on *Decentralization and Local Democracy in the World* by the United Cities and Local Governments Group and the World Bank (2008) adds Burkina Faso, Senegal South Africa and Tunisia to the list, and (the yet fully responded to) 2010 survey by the United Nations Economic Commission on Africa adds Mozambique. Plus, the Sudanese *Comprehensive Peace Agreement* (January 2005) suggests promise for Sudan as either a working con-federation, or Southern Sudan as an independent decentralized state. Indeed, change is occurring.

6. Whether or not decentralization “works” is very important: achievement of the Millennium Development Goals (MDGs) - the gains that can be made to improve the lives of the poor by 2015 - depends in large part on the integrity, efficiency, and sustainability of decentralized governance. Nearly every one of the MDGs entails some element of local service delivery.\(^1\) The challenge is that decentralization can be done well or badly. Done well, it can lead to the benefits promised by a well-functioning state and local system: better services (for example, girls' education, clean water, local transportation, and picking up the garbage); national cohesion; and the creation of a potentially powerful tool for poverty alleviation. But if decentralization is done badly, it can lead to a macroeconomic mess, corruption, and the collapse of the safety net - the same things that many big central governments have delivered.

7. A key message of the *Arusha Declaration* is that to make decentralized governments “work” that popular participation matters: “Africa has no alternative “but to empower its people ‘urgently and immediately (—such that there will be “full and effective participation of the people in chartering their development policies, programmes and processes......”. In a useful metaphor, Latif (2010) points to the promised outcomes of a well-designed system of decentralization as “skeleton” for change, whereas participation is the is what gives life and sustainability to the system of collective decision making.

8. As with the term “decentralization: “participation” broad concept can be misapplied, misunderstood or misused. Participatory community-based development started as grassroots development model that sought to get local people or the beneficiaries involved in development projects. Reflecting the perspective that whereas Western societies tend to stress individualism whereas African societies place more stress on the community and communitarian approaches to finding solutions for reconciling diversity and solidarity (UNECA, *African Perspectives*, p9), in the early years of post-colonial nation building participation tended to be viewed as a tool for contributing to and supporting the national

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\(^1\) Those are: (1) eradicate extreme poverty and hunger; (2) achieve universal primary education; (3) promote general equality and empower women; (4) reduce child mortality; (5) improve maternal health; (6) combat diseases; (7) ensure environmental sustainability; and (8) develop a global partnership for development, United Nations Millennium Declaration (September 2000) and General Assembly Road Map (November 2002)
development agenda rather than a for holding public officials accountable for their actions. For a world that had their populations often treated as ‘vassels’ and, too, at times, agents of violence for the Cold War powers, such a national perspective is surely understandable (UNECA, Perspectives, 7-8). And much good came out—and still results—from national communitarianism.

9. Then, by the early 1990s the participation paradigm shifted:

With the demise of the Cold War...throughout Africa people [became] aware of citizenship rights and obligations (UNECA, Perspectives). They were better educated and well informed worried about the existing socio-economic and political conditions...and wanted to participate in public affairs but were constrained by the existing structures of governance. Moreover, following the collapse of the communist model of development and the resulting disillusionment with authoritarian socialism, there emerged an African wave of re-thinking on the issue of development: what it entails and how it can be promoted, sustained and consolidated—in a land characterized by an amazing diversity of peoples. 3

10. This shift in—or, better said, “enhancement of”—African communitarianism was then articulated in the Arusha Declaration, which gives content to the reinforcing importance of decentralization and popular participation, the latter which is embedded in to what the emerging literature on participation labels as two (reinforcing) types of accountability: public and social.

11. Public accountability (“supply side”) mechanisms exist to safeguard against the abuse of the government authority and power—that is, for governments to be accountable (McNeil & Malena, p5). Public accountability thus includes the ability of other government agencies (horizontal accountability) and citizens (vertical accountability) to hold those responsible for taxing and spending answerable for process, outputs and outcomes. Here the mechanisms may be constitutional or statutory (“legal”) (separation of powers, conditionalities of new arrangements for power sharing among types of governments), fiscal (e.g., planning, budgeting, reporting, internal control, and external audit), administrative (e.g., civil service, procurement reforms, codes conduct, and reporting systems such as comprehensive annual financial reports) and political (e.g., local council oversight, integrity of election systems, special commissions such as anti-corruption commissions).

12. Social accountability (“demand side”) refers to the role of civil society (citizens acting individually and collectively) to create and participate in organizational and institutional

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2 This is not unique to Africa as, for example, the history of the Soviet Union and its “satellites” attests.
3 UNECA, African Perspectives: Towards Capturing the 21st Century, 2xxx, p. 10]
arrangements such that they can understand and control their government(s)—that is hold government accountable. As with public accountability, social accountability tools may be legal (requirements for public hearings, election of citizen oversight commissions, open meeting rules), fiscal (e.g., participatory planning and budgeting, expenditure tracking, independent budget analysis), administrative (e.g., citizen report cards, social audits, informational campaigns) and political (civic awareness programs, citizen initiated recall).

**Scope and Organization of the Paper**

13. The task for this essay is to a systematic look at systematic look at the paradigm that links the reinforcing forces of *decentralization* (Section II) and participation (Section III). Section II begins by addressing the several questions: What does one mean by “decentralization? Why is it occurring not only in Africa but also globally? Does it make a difference for a society to decentralize? And, if it does make a difference why does popular participation matter? The discussion then proceeds to Section III which first takes on through the labyrinth of where *participation* fits into the broader discussions of the nature and importance of public and social accountability, and then addresses the topic of popular participation in Africa.

II. **Decentralization of the State**

**Definitions**

14. Decentralization is on the leading edge of public sector policy and administration in developed countries, developing countries, transitional, countries, federal countries, and unitary countries—wherever one looks some kind of decentralization is taking place or, at least, being discussed. But, what does it mean, why is it going on, and what do we know about its results?

15. A variety of definitions, rationales and arrangements are, and can be, encompassed under the very imprecise and awkward term of “decentralization”; thus at the outset it important to stress that what one is focusing on is that of that is the sorting out of intergovernmental—central and local -- roles, responsibilities, and authorities among types of governments, central and local.4 This said, confusion still prevails about the term

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4The term “local” as used here as well as in other in framework discussions such as this encompasses what in casual conversations one often refers to local: (i) general purpose governments(municipalities, communes, municipios, settlements, rayons, cities v. villages, Districts, mayoralties, union councils …); governments that are intermediate or middle tier (provinces, governorates, counties, wilaya, oblasts, Woreda, districts and Kebele; and then in there are (ii) special purpose or joint service governments – “authorities” that are almost always established to provide special (sectorial) services: water and transportation, schooling, street lighting, and in some places, even a special authority for activates like
“decentralization” since it can, and does mean different things to different people. Accordingly this discussion begins with a brief review of some of the conventionally presented definitions, before moving to the further questions as why decentralize and what do we know about the results.

16. Two major types of “decentralization” will be distinguished -- Political and Fiscal.  

Political Decentralization

• Most practitioners take as axiomatic that the decision-to-decentralize is, first political, and that political decentralization refers to arrangements whereby the legal legitimacy of local government is recognized either through explicit recognition in the national constitution and/or statutory and administrative decisions. Outcomes that are typical of such “top down” decentralization (whereby the central government establishes the subnational governments and which is, to date, the model for most, if not all, African countries) may include laws on (i) the establishment of local governments; (ii) elections; (ii) spending responsibilities or “competencies” among types of governments; (iii) revenue authority—taxation and debt issuance; and (iv) borrowing & debt issuance; taxation and (v) treatment of special governments such as capital cities (Slack and Chattopadhyay, 2010). To illustrate:

  o Mozambique enshrines its framework for political decentralization in its constitution (Chapter XIV), which is complemented by several specialized laws including those on elections, pace of decentralization for cities and urban towns, intergovernmental relations and budgeting, borrowing and debt, as well as an Act relating to citizen participation and oversight (e.g., laws establishing Institutions for Participation and Community Consultation (IPCCS, Sitoe, 2010).

  o South Africa has acts on the (i) Intergovernmental Framework System; (ii) Municipal Systems; (iii) Municipal Structures; (iv) and Municipal Financial Management; and (v) Division of Revenues

  o Ethiopia’s constitution is permissive regarding the ability of its 47 regional states to form regional governments as well as provides a series of Articles relating to the federal, state and federal/state concurrent powers for spending and taxation (Dirr, 2010)

mosquito and rodent control. Moreover, special district may overlap general purpose governments or even national boundaries.

5 These are not the only possible classifications. Others include judicial, regulatory, and economic (Marcou, 2008)
Sudan’s Comprehensive Peace Agreement (CPA, 2005), which, for the present, serves as the interim national constitution, is very explicit: “There shall be a decentralized system of governance with significant devolution of powers with regard to the National, Southern Sudan, State and Local levels of government (Chapter III, II. 1.5.1.1). Topics addressed range from the assignment of expenditure and revenues to provisions for permitting the establishment of both Sharia and conventional banking systems and the sharing of petroleum revenues.

Kenya (Kenya survey just received—to be treated in this bullet) Note: as more survey responses come in, we will summarize these country-by-country responses in a matrix rather than bullet form.

Fiscal Decentralization

17. Fiscal Decentralization is also a broad term encompassing distinct intergovernmental arrangements.

18. Devolution is the most complete form of fiscal decentralization: independently established subnational governments are given the responsibility for the delivery of a set of public services along with the authority to impose taxes and fees to finance the services. Devolved governments have considerable “own” flexibility to select the mix and level of services. Some financial support (e.g., transfers such as revenue sharing and explicit central—local grants) may be provided.

There are five fundamental questions to be addressed with a devolved system (Bird, 2005; Peteri, 2007):

- Which type or tier of government does what (expenditure assignment)?
- Who levies which revenues (revenue assignment)?
- How can vertical and horizontal fiscal imbalances be resolved when the case for decentralizing spending is almost always greater than that for decentralizing revenues (a role for intergovernmental transfers)?
- How the timing of revenues is addressed (debt and the hard budget constraint)? and
- What institutional framework (i.e., capacity, organizational, institutional, and human) is required to deal with the implementation challenges of decentralizing states?

In principle, devolution will increase the efficiency of how a society will tax itself to deliver collective services since—through effective participation—it allows citizens to express their preferences on the mix and level of those local public services. That is, an intergovernmental government system that provides for local decisions will result in a
“better” (more efficient) utilization of limited than will decisions made by a bureaucrat in some distant capital. Such efficiency gains from decentralization may be particularly significant in countries characterized, as is Africa, with a high degree of economic, demographic and geographic diversity.

_Deconcentration_, which is often also referred to as “administrativdecentralization”, is a term that is used to refer to the process of geographically dispersing of decentralizing of central ministries to local jurisdictions. _Deconcentration with authority_ means that regional branches of central offices or the agent governments are created with some ability to make independent decisions, usually within central guidelines (e.g., Egypt, see Amin and Ebel, 2004). _Deconcentration without authority_ occurs when regional offices are created with no independent capacity from the centre. Local government is likely to have little to say regarding the scope or quality of local services and the manner in which they are provided.

19. _Delegation_ can be thought of an intermediate arrangement devolution and deconcentration. Subnational governments (not branches of central government) are mandated the responsibility for delivering certain services, but are subject to some supervision by the central government. In essence, the local authority acts as a principle agent for the center; and is, or ought to be, compensated by the center for carrying out its agency function.

20. Delegation may also lead to improved efficiency when subnational governments can better administer programs of national interest (such as certain aspects of education, water and health) in ways that better reflect local economic, social and financial circumstances. Under these arrangements the center, or in some cases the higher intermediate (provincial) government determines how much should be spent in these areas. The center/higher level of government may also set minimum or standard levels of service. However, in either case, the detailed decisions for service delivery remain local. The design of intergovernmental fiscal transfers and the degree and nature of central monitoring will influence the balance of central and local decision-making in such delegated areas of responsibility.

21. All intergovernmental systems are likely to have some elements of each of these variants. Moreover, nearly all decentralized systems exhibit some degree of _asymmetry_ in which

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6Japan provides one of the best examples, and may be a model for some newly decentralizing African countries to consider. Emerging from WWII and facing wide disparities in local government damage, wealth and capacity to deliver services, Japan quickly determined that the center had to take a "top-down" lead on decentralization. Designed as a way to balance the deconcentration and devolution models, Japan formulated a system of delegation whereby the central government formulated policy, then delegated its implementation to Prefecture governors, municipal mayors and administrative committees. Under the 1947 _Local Autonomy Law_ a system of _Kikan Inin Jimu_ (agency-delegated-functions) was created whereby 561 governmental tasks were delegated to subnational units. This permitted the center to keep control of design and standards while at the same time accommodating the need for decentralization in the sense that it allowed local governments to have a say in the nature of the delivery of specific services. A topic of much debate, as the Japanese economy recovered from WWI, the agency-delegation was abolished in 2000 and replaced by the a pared down system “legally delegated functions” system was established (Iqbal,___)
their decentralized treatment different regions—countries that can said to be “fragmented” in one or more ways with groups of citizens who are distinct due to their ethnicity, tribal traditions, religion, language, race, and, or the happenstance of geography—where they live. While such asymmetry is often most obvious in formally federal countries (Canada/Francophone Quebec; Spain/seventeen autonomous regions; Switzerland/language and the “magic formula” for electoral politics; Indonesia/geography and ethnicity; Bosnia &Herzegovina /Muslims and non-Muslims; Ethiopia/Special Woredas and special treatment for urban vs. agricultural communities; Sudan/”north” and “south”; Mozambique/ the phasing in of self-governance by cities and district towns. …the list is very, very long; and whereas most often it works, sometimes is does not (e.g., Apartheid South Africa).7

Why Decentralize? The Theory and Why Participation Matters

22. Up to now, this paper as proceeded on the presumption that a “well designed, well-functioning decentralization of the public sector is the “right” public sector reform strategy. But, is it? What do we know about the performance of countries that have undertaken a strategy of such reform in their intergovernmental systems? As noted above, outcomes can be both good and bad (Purd’homme, 1995; Tanzi 1996). And, too, though there is a solid theoretical foundation for “why decentralize”, there is not as yet a robust a body of empirical knowledge on decentralization outcomes as one would like, although on that matter the situation is improving.

23. And, there is little question that decentralization matters. Indeed, in a rather dramatic conclusion it is World Development Report on *Entering the 21st Century*, the World Bank concludes that two forces now shape development policy: globalization (the continuing integration of the countries of the world) and localization (self-determination and the devolution of power among governments within the Nation-State). Moreover these two trends are reinforcing as globalization requires central governments to seek agreements with partners—not only other national governments and international and supranational institutions, but also with local communities and civil society organizations. Localization requires central governments to make arrangements, legal, political, and financial, with regions and subnational institutions and on issues of sorting out responsibilities for the delivery of public services and for mobilizing a new range and set of revenue sources. “Governance” is now about central-local intergovernmental relationships and the accountability mechanisms that accompany those relationships (WDR, 1999-2000).

24. There are three steps to getting at the question of “why decentralize?” The first is to look at the reasons why so many countries, again, particularly in Africa, have centralized public sectors. The second is to examine the arguments, theoretical and “practical, that conventionally made in support of decentralizing, and, as part of that ask how the theory of public finance treat the question? The third step is to explore the impact of decentralization—that is, what is the empirical “take” on the first two steps?

7 Citations: the Surveys; Bird Assym n 2006 and 07; Linder, Ahmad, Momoniat
Why are so many countries centralized?

25. While the World Bank argues that this is the century of localization—the devolution variant decentralization discussed above—many, many countries can still be categorized as what the 1990 the Arusha Declaration characterizes as “over centralized”. This is particularly true for the not only most of Africa, but also countries former Soviet Union.

- There are three reasons. The first of these tends to be both negative and reactive. However, the second, which goes to the question of the intergovernmental sorting out (assignment) of revenue and expenditure roles among governments, servers to again make the point that a well-functioning system of decentralized government requires a strong central authority; but this time around the center will become “strong” because it’s officials and bureaucrats have learned to be intergovernmental. The third tends to be in the middle of the low merits of the first reason for centralization and the high merits of the second.

- The first is about history and a most important one for Africa: the colonial legacy—that is, the persistence of old method as a means for the newly independent nation to establish its authority. That there was and this continuation of the old system is certainly not unique to Africa, as some of the current centrist “claw-back” of the reforms of the first decade the Central and European countries attests (Davey, 2010). Enough about this has been said in the above introductory remarks; and, too, the topic has been adequately covered elsewhere (El-Khawas, UCLG other?). There is a corollary to this first reason, which is that in some countries terms like “decentralization” (and “federalism” a “local”) became code words for a technique to disrupt traditional ties in order to centralize powers, and that distrust of the language lingers on. Moreover, there is merit to this distrust as there are many flaws to the implementation of this new idea of intergovernmental reform. Among these is the reality that even though the decentralizing advocates tout the merits of a system of participation that brings “government closer to the people”, the reality is that, as discussed below in section III, there are now in place many institutional and organizational barriers to the type of effective participation as envisioned by Arusha (Smoke and Kaiser, 2010; Classen 2010)

- Second, the “devolution” variant of fiscal decentralization as discussed above requires that there be a central government that has the authority and the capacity to carry out its assigned intergovernmental functions — viz., provide for the national defense, carry out the foreign policy, protect national borders (including establishing as needed the customs function), and manage macro-stabilization. Indeed, in countries that are less economically diversified and therefore, more "exposed" to international fluctuations in international commodity process, natural disasters, wars, debt burden costs, and chronic inflation, central government control of the main tax and borrowing instruments argues against extensive decentralization.
The third reason often set forth for a high degree of centralization, particularly with respect to finance, that “for now” local government does not have the institutional and administrative capacity to be local. Maybe for the short run; but as local government in several newly decentralizing countries have demonstrated, developing capacity to govern is a learning-by-doing process (Sen, 2005).

The Case “For” -- Theory and Concept.

26. The fact that much of the world is undergoing some form of decentralization attests to its importance. There are at least for explanations for this trend:

- The first goes back to the point above that the decision to decentralize is political; and only after that does one turn to the economic and fiscal policies for getting “right” the new set of intergovernmental arrangements; and that is the “reaction from below” from citizens and through citizen participation (cite the various CEE “revolutions; UNECA Perspectives article):

- Economic Efficiency Through Participation. An efficient solution is one that maximizes social welfare subject to a given flow of land, labor, and capital resources. The rule for achieving an efficient allocation of resources is to supply a service (produce an output, etc.) up to that point where at the margin--for the last “unit” of the service supplied--the welfare benefit to society just matches its cost. In the private sector, as a general rule, the market-price system accomplishes this goal automatically. In those circumstances where the private market fails in this objective (pure public goods, externalities, monopoly), there is a case for public intervention--the public’s commandeering of resources in order to supply the activity. Once the public sector intervenes, the efficiency logic is in favor of fiscal decentralization. The argument is that because of spatial considerations subnational governments become the conduit for setting up a system of budgets that best approximates the efficient solution of equating willingness to pay with the benefits of local service delivery. benefits and costs.

The essential key to all this desired outcome is effective citizen participation: governments closest to the citizens can adjust budgets (costs) to local preferences in a manner that best leads to the delivery of a bundle of public services that is responsive to community preferences. Subnational government officials then become the citizens’ agent; and if participation is open and transparent, the solution is efficient. The central bureaucrat is now out of the decision process. Politically, this is the “reaction from below” of years of the “over-centralization” that the Arusha Declaration identifies. However, if the political “step” participation fails to materialize over the (not very) long run, the efficiency gains will not materialize.
• **Revenue Mobilization.** Local governments are able to access some tax bases more readily than a central government (e.g., certain user charges, rudimentary sales taxes, and real property taxes). Local governments have the greatest comparative advantage in the property tax, especially with respect to identification of the tax roll and collection. Where central governments have levied the property tax, the tax tends to be no more than a minor source of revenue.

• **Nation Building.** Finally, some countries are explicitly "nation building" in the sense of designing an intergovernmental system that will serve as the fiscal "glue" for addressing the range of interests in countries with relatively heterogeneous economic and demographic interests.

### Why Decentralize? The Practice

27. Given the conceptual “case for” decentralization—that is, for an intergovernmental set of fiscal arrangements that address the five fundamental questions presented above, the challenge then becomes: how does one know that decentralization delivers on these promises?

28. The theory makes good sense, but, in fact, the reality of the claims is very hard to measure because the type of data needed to define a country’s degree of decentralization (the “decentralization variable”) is lacking. At present, the most consistently collected and reliable database is that reported in the *Government Finance Statistics* (GFS) of the International Monetary Fund (Kaiser 2004). Although the GFS series is extremely useful for carrying out a large variety of analytical tasks, it is still focused on the macroeconomic performance of a nation as a whole and not its constituent or decentralized parts. Therefore the GFS series does not easily lend itself to measurement of the degree of fiscal decentralization. Analysts wanting to measure the degree of fiscal autonomy and devolution within a country have to come up with ways to specify the decentralization variable. Fortunately, some very good recent work has been done and we are beginning to get some empirical answers to the question of “why fiscal autonomy matters?” (Jensen 2001; Yilmaz, Hegedus and Bell 2003; Moloche, Vaillancourt and Yilmaz 2004; Bell 2006).8

29. While acknowledging the difficulty of measuring decentralization, here is what we know empirically about the relationship between decentralized fiscal autonomy (devolution, local self-government) and the accomplishment of a nation’s broader economic and fiscal objectives:

  • a strong correlation between decentralization and the growth in Gross Domestic Product (GDP) per capital supports the argument that s people become more educated, better informed about their governments, and more aware of problems that affect their lives, their desire to bring the control of government functions closer to themselves grows (Smoke, 194), In fact much of the decentralization that has taken place since the mid-

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8The Local Government Initiative/Open Society Institute–Budapest, in cooperation with the Organization For Economic Development (Paris), was among the first institutions to initiate this work. See the links to the Fiscal Decentralization Initiative on both the LGI/OSI and OECD websites.
1990s has been motivate y political dynamics that promote democracy and transparency. In many countries, fiscal decentralization has been an essential part of the democratization process as discredited autocratic central regimes are replaced by elected governments and the spread of multiparty give a chance for local voices to be heard.

Earlier in this paper cited the World Bank report conclusion that "localization" was one of the two tow forces what now “shape the world in which development policy will be defined and implemented” (WDR 1999-2000) elsewhere that same report goes onto note that “plural politics and broad based popular participation” are rapidly becoming features of modern governance: the proportion of counties with some form of democratic participation rose from 28 percent in 1974 to 61 percent by the end of the 1990s. (WDR, p 43). The WDR further notes that as people participation in society grows, so does the number of organizations that give it voice; and, thus that nongovernmental organizations and civic movements are on the rise and that...“participatory politics by giving more voice to people will hasten decentralization ...a trend that will most likely be felt in large countries with marked ethnic divisions and deeply rooted local identities.” (WDR, 43-45).

- developed countries are associated with mature systems of decentralization and varying degrees of fiscal autonomy (e.g., Akai and Sakata 2003). Conversely, the dismal macroeconomic record of centralized command and control under Communist regimes in Central and Eastern Europe has been well documented (Bird and Banta 1999; Dunn and Wetzel 2002).

- it is expected that if decentralization enhances efficiency in the allocation of public services, this should show up as economic growth. There is some evidence that such a relationship exists with respect to the revenue side of the budget. Martinez-Vazquez and McNab (1997) reach this conclusion with respect to change in per capita income. Ebel and Yilmaz (2003), by defining the “decentralization variable” in terms of both a narrow and broad definition of revenues (the broad definition including unrestricted grants), reach a similar conclusion with respect to the growth rate of real per capita output.9 A similar finding with respect to revenue autonomy has been reported in Meloche, Vaillancourt and Yilmaz 2004, which concludes that “decentralization of expenditures coming with centrally controlled revenues seems to be an obstruction to economic growth.” However, there is less evidence of the role of expenditure decentralization, though in recent research on this topic Imi (2005) concludes that in a mixed pool of developed and transition countries decentralization “particularly on the expenditure side is instrumental to economic growth.”10

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9 However, no attention is given to the important question of the size of subnational government relative to total government.
10 There is some econometric evidence of a negative relationship between decentralization and economic growth (deMello 2000; Davoodi and Zou1998), but the findings of this path-breaking econometric work have been largely supplanted because use of GFS data led to the misspecification of the “decentralization variable” (Akai and Sakata 2002; Yilmaz, Hegedus and Bell 2003; Moloch, Vaillancourt and Yilmaz 2004).
- on the matter of macroeconomic stability, there is evidence that subnational revenue autonomy improves the fiscal position of subnational governments, but that a reliance on intergovernmental transfers may worsen that fiscal position (Ebel and Yılmaz 2004).

- the findings relating to the relationship between fiscal decentralization and public sector size is decidedly mixed, with some studies finding no evidence of a relationship (Oates 1985), and others suggesting that the public sector’s expenditure share of national GDP decreases with the increase in subnational tax autonomy (Ebel and Yılmaz 2004).

### III. Beyond the Five Fundamental Questions: Accountability

30. The issues that each decentralizing country faces are at the same time very different and very similar. They arise from the diversity in national economic and demographic structures, institutions, traditions and culture, geography, and access to new technologies. For example, when designing local property tax systems, African and Middle East policymakers must often consider a complex combination of national, colonial and local tribal laws; but the concept of markets as a basis for land valuation is relatively straightforward. In contrast, in most of the countries that have made the Central and Eastern European transition from socialism to more market-oriented economies are well organized (witness the speed at which many countries were able to institute some form of property restitution); however, the market concept has not yet been sufficiently accepted so it can serve as a guide for widespread adoption of *ad valorem* taxation.

31. So, the differences matter. But so do the similarities. When analyzing the sequencing of subnational revenue mobilization, there are three key similarities. The first is that the fundamentals of an open economy provide the broad policy framework. The open nature of subnational jurisdictions means that they cannot restrict the flow of goods and services across its borders by erecting economic barriers such as tariffs, quotas, or import licenses; nor can they effectively control cross-border movements of labor and capital. This high degree of product and factor mobility changes the character of subnational fiscal policy from that of structurally similar, national policies where, even in an era of globalization, a nation-state still more closely approximates the closed model through its use of border and regulatory controls.

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11 There is evidence to the contrary, which is not reported here because use of GFS data led to the misspecification of the “decentralization variable.” For a review of the issue, see Yılmaz, Hegedus and Bell 2003 and Meloche, Vaillancourt and Yılmaz 2004.
32. These similarities fall under what is now referred to by some as part of the (still very important) “first generation” of the study and practice of fiscal decentralization, which focuses primarily on the “case for” decentralized governments in terms of improved efficiency (resource allocation, and macro stabilization/economic growth to which we add in this paper, national cohesion). (Yilmaz, Beris and Serrano-Berthet, 2010)

33. Another similarity among decentralizing countries is an emerging “second generation” theory of decentralization, that of bridging the gap between the economic and political approaches to decentralization taking as it point of departure the assumption that participants in the political process (both voters and officials) have their own objectives that may; thus, for decentralization to “work” society must establish and allow to function organizational and institutional arrangements—arrangements that, for example, minimize problems such as that of corruption and/or the “capture” of government by local elites (Yilmaz, 261’ Commins, 3) and systems of governance that operate behind a veil of non-transparency.

34. As with the word “decentralization”, the term “participation” can be misapplied, misunderstood or misused. Popular participation as a development concept gained wide recognition in Africa in the early nineties. However, the idea has been around since the 1950’s and 60’s (in various forms and under various labels). Participatory or community-based development started as grass-root development model that sought to get local people or the beneficiaries involved in development projects. While these projects and activities sometimes were able to increase the community’s involvement they were not designed to create mechanisms for wider accountability. Communities were viewed as contributing to and supporting the national development agenda and not directly responsible for decision making or holding officials accountable for their actions.

35. In Africa, the move toward conceptualizing participation in a development context started with the Arusha Declaration, which pointed out that popular participation is to be viewed as both a means and an end. In its early manifestations, “popular” participation had the tendency to be ad hoc and often either linked to the processes around a specific project or to the requirements of aid donors. Over the years, the continuity, or lack thereof, of participatory processes became an increasing source of criticism, as did ‘consultation fatigue’. In addition, there were concerns both about whose voice was actually taking part in the processes of participation, and more importantly, regarding how participation effectively assisted citizens in connecting with government structures. One-off participatory processes have the risk of being an exercise in “checking off the box”, where a public official can show higher level managers those participatory requirements have been met, no matter what the quality or outcome of participation. This led to a concern that participation had significant limits and a search to define new approaches that would incorporate participatory processes and principles, but provide a stronger mechanism.
36. The growth of attention to accountability and accountability mechanisms can be linked to a greater awareness of the importance of ensuring that participatory efforts would be linked to a more structured and more coherent engagement with government. In additional, accountability involves a far wider set of relationships between state and citizen. Public accountability mechanisms exist in part to safeguard against abuse of local power. Decentralization reforms may not create a more participatory environment without specific attention to constructing the necessary mechanisms. Decentralization processes are usually not designed to connect increased local authority with increased accountability. There are frequent complications and uncertainties regarding the division of roles and responsibilities amongst various bodies and this makes accountability more difficult.

37. Public and social accountability approaches ‘must be bridged’. Accountability relationships are also shaped by the political-economy and history of each country and locale within the country (Ribot) how can accountability address gaps between de jure and de facto?

38. Once a government has set up the framework and structure for different allocation of responsibilities and tasks to various levels of government, there are a number of potential benefits from decentralization of services. Decentralization in relation to improved service delivery involves the potential for both greater accountability for services by different levels of government and improved outcomes for poor people. When accountability is built into the design of decentralization allows for several potential avenues to improve services. It provides citizens with meaningful opportunities for voice through elected councils, locally appointed officers, participatory budgeting and planning, local civic forums, surveys and citizen report cards that evaluate specific services.

39. Accountability involves the ability of other government agencies (horizontal accountability) and citizens (vertical accountability) to hold those responsible for services answerable for outcomes, i.e. to be able to enforce agreed commitments and goals. Accountability mechanisms, in decentralization seek to reduce this problem, and may reduce the opportunity for local elite capture and corruption. By shifting power and resources to the local level, citizens and civil society organizations can scrutinize the actions of local officials whereas it is unable to keep as close a watch on the national government.

40. Public participation doesn’t just happen it requires linkages throughout the public sector, which provide for functioning and different types of accountability links. Accountability involves the obligation of government officials to inform the public about their actions to explain the purpose of their actions, as well as the capacity of designated government agencies to impose sanctions on those officials who have violated their public responsibilities. These two aspects reflect “answerability” and “enforceability” and highlight the importance of institutionalizing accountability to ensure that public officials can and will be held responsible for their actions.
41. Transparency is logically the result of this twofold concept of accountability, i.e. the successful enforcement of answerability. In other words, when information is provided about the ‘what’ and ‘how’ of government practice and this information is considered trustworthy because of effective enforcement, governance is transparent to those within and outside the system. Improving governance accountability requires that citizens have some influence over public officials and can participate, in one form or other, in the decision-making process. How to provide for and encourage both participation and related accountability is the principal question.

42. Horizontal accountability refers to checks and balances within the system of the state, whereas vertical accountability is about the accountability of governments to parliament and the citizenry. Social accountability is often used to refer to claims and demands made by citizens and their associations, from the state as well as from other powerful actors such as corporations or civil society actors. Horizontal accountability, unlike vertical, relies on systems of checks and balances within the state, such that officials and agencies within the government are required to report “sideways” to other government bodies and officials.

43. A large body of literature addresses the mechanisms for accountability and under which conditions such mechanisms might actually work. Mechanisms for accountability that might work will vary according to the local context and processes of state/society relations. The configuration of local actors and their openness to such mechanisms will look different within one country, let alone between countries. Hence the efforts to strengthen citizen voice and create mechanisms for accountability will need to adapt to the particularities of these setting.

44. Research has shown for voice to be effective it needs substantial population support, adequately articulated and channels where it can be exercised. In settings marked by high degrees of inequality or resource capture, there are specific impediments to the exercise of voice. To speak out can be a risky undertaking and citizens may be reluctant to exercise voice due to fear of exclusion. Inclusiveness of voice and facilitating a dialogue in which each voice is equally heard is important in these areas. Another important lesson is that strengthening voice is not enough if state institutions do not respond (Eyben & Ladbury 2006). D

45. Study on donor supported Citizen Voice and Accountability mechanisms showed that in all case studies weak institutions, lack of government capacity and/or lack of political will were major obstructions to effective voice and the provision of accountability (Rocha Menocal & Sharma 2008). Regarding the role of local state institutions, literature points out two key features are conducive to accountability, responsiveness and receptivity. It could be argued that receptivity - the ability of the state to hear expressed concerns and the readiness to welcome voices - is largely about the political will of local governments and the extent to which they are accessible. It is a behavioral aspect (O’Neill et al. 2008), though also more technical issues such as procedures play a role.
46. Responsiveness - the extent to which local authority actually responds to concerns and demands –will depend on both political will and technical capacities such as available resources or the discretionary powers of local governments. The distinction between political will and technical capacity is useful for analyzing different types of state/society accountability dynamics.

47. Social accountability involves the engagement of citizens to express demand of public services, and increase accountability from public officials and agencies. A key element is a focus on mechanisms that improve access to and quality of services by empowering people as citizens. Citizen participation in public policy-making can include a growing and rich set of instruments: Participatory budgeting; Public Expenditure Tracking Surveys (PETS); Citizen monitoring of public service delivery; Citizen advisory boards; Citizens charters; Integrity pacts; Monitoring of procurement; Balanced Scorecards; Parent Teacher Associations, citizen management and oversight of schools, and communities holding schools or clinics accountable.

48. The second alternative form of accountability represents *hybrid* models that aim to integrate vertical and horizontal systems principally by formalizing direct public participation (vertical) within state oversight and mediation agencies (horizontal), such that the public plays a role in the supervision of government activities (Goetz and Jenkins 2001). This *diagonal accountability*, as Goetz and Jenkins (2001) suggest, would be implemented by five institutional characteristics: 1) legal standing to NGO observers within public oversight agencies; 2) continued presence of these observers; 3) well-defined procedures for conduct of encounters between citizens and public sector; 4) structured access to official documentary information; and 5) right of observers to issue dissenting reports directly to legislative bodies. Additionally, there is the difficulty to convince governments to formalize citizen oversight of state agencies and concern that CBO observers are themselves lacking democratic mandate and have no internal review processes.

49. An example of specific mechanisms comes from experiences with Community Based Participatory Management which is a particular approach that seeks to address the lack of access by poor community to services, whether due to inefficiency, lack of responsiveness by public officials, or corruption due to lack of voice and accountability. CBPM has similarities to Basic Scorecards in that it makes use of various forms of participatory monitoring and evaluation approaches to support means for communities to create their own information, as well as to analyze and act upon the information gathered. The use of these tools, and similar resources, provide opportunities for greater engagement by communities with public agencies on issues of accountability and services. At the same time, both the mechanisms and the context, provide opportunities and limits to community participation processes.

**Accountability/Participation Dynamics**

**Culture and History**
50. Context is starting point: Several authors have noted the interplay between the national political processes in such countries as Uganda, Mali, Ghana and Malawi, and the local realities (Crawford, Hetland, and Cammack). This is an essential reminder that institutions cannot be analyzed generically in different countries without understanding the lack the preconditions – either in terms of systems within the state, or local power and politics – that shape them and contribute to their viability. An approach to understanding how these institutions work calls for an appreciation of how they are shaped by the history of relationships between the actors who animate them, and the cultural politics through which their rules of the game are shaped, interpreted and put into action. Assessment of governance policies require including the specific dynamism of politics and the complexities of culture. Contextual analyses can bring these dimensions back into the frame, as well as for those which explore the political implications of their absence.

51. The state-in-society approach identified by Hetland provides a useful theoretical framework for the analysis of the local politics of decentralization. Within this approach, patterns of dominance, maintenance of status quo and changes are understood as processes that result from state-society interaction. This draws attention to structures within the state and different societal movements and networks, as well as formal and informal organizations (Migdal 1994; Degnbol 1999). The theory assumes that a state’s potential to undergo change is dependent on its relation to society (Kohli & Shue 1994). The disaggregation of the state brings the lower levels of the state and state-society relations in peripheral rural areas into the analysis. The approach furthermore assumes that social forces are historically contingent and that their political capacity is not predetermined. The interaction between segments of the state and segments of society is complex.

52. The significance of analyzing the existing political landscape within which institutions of participation come to be established over time. What political landscapes reveal, however, is a number of broader enabling factors that make each country’s decentralization what they are, which highlight some more generic principles. The literature on participatory governance suggests that the potential for the success of these institutions lies in the conjunction of a series of critical factors: political will that extends to an ideological commitment to popular participation; strong civil society that can make effective use of the spaces that open up for participation; and legislative frameworks that encode participation as a right.

53. There are some national or regional institutional factors that will affect the impact of decentralization on community participation efforts, as well as shape their agendas and influence their relationships with government agencies and other centers of power. The institutional factors will have some similarity for all sectors, but will have varying effects due to the nature of the service systems. Among the institutional factors are the evolution and dynamics of the national political system, cultural factors including traditional or religious authority, and formal systems of political control at different levels of government. Other factors include various legal and constitutional frameworks, the history of working relations between government agencies and NSPs, as well as the role of donors in influencing national policies.
54. There are also local contextual issues such as systems of land tenure and land ownership, ethnic and caste relations, and the structure of gender relations. These are factors that directly relate to the structuring and process by which community participation occurs. Along with national institutional factors, local contextual factors frame some of the constraints, but also potential opportunities for community participation, notably in how they shape individual organizations’ room for maneuver. These include financial resources, accountability requirements and capacity to work in collaboration with other organizations.

55. The above factors help to condition certain factors in the particular structure and membership of community organizations, but these organizations also have their own internal dynamics, based on the organization’s history, previous commitments and current membership. One key is explicit and implicit arrangements for decision-making and leadership, particularly in regard to decisions about policy, action, finances and staffing. In addition, within each community organization there are complex mixtures of interests and identities, and the ways in which they shape goals and organizational processes.
Participation and Citizenship/CSOs

56. Citizenship implies a reciprocal commitment between the state and the individual. Citizens are social actors with possibilities of self-determination, with the power to represent interests and demands, and to fully exercise their legally recognized individual and collective rights. The interaction between citizenship and governance occurs through global, national and local level processes, is managed through specific organizations and involves a defined set of stakeholders who are involved in various ways in the decision making process and in holding leaders accountable.

57. State/society relations are the product of what one author described as the ‘the intimate entanglement of public agents and engaged citizens’ (Evans et al., 1996). The difference between those contexts that produce greater participation and accountability, and those that tend to lead to clientilism and neo-patrimonialism are described these authors as a combination of complementarity and embeddedness. Complementarity involves both the implicit and explicit division of tasks between state and citizens, and also about the self-limiting of state power, through an acknowledged set of restraints or rule of law. The public sector is not only limited, however, it also has a certain amount of autonomy that limits the pressures of the more powerful actors on state actions and resources. Embeddedness relates to the connections between state institutions and social networks, especially at the local level, so that the state emerges from society (acknowledging that this is an on-going process). Embeddedness provides implicit credibility for the state and reduces the distance that was well described by Goran Hyden in “No Shortcuts to Progress”, where the post-colonial state was disconnected from society.

58. A diversity of effective and organized civil society organizations play significant roles in improving the connections between decentralized governments and citizens. This is particularly the case where the existing mechanisms for accountability are either weak or have lost their effectiveness. Effective and organized civil society organizations clearly have a vital role to play in making participatory governance viable. This is particularly the case in this context, where participation is mediated through these organizations. Productive relationships between state and civil society actors are vital in amplifying the scope of civil society engagement. It may seem self-evident that the term ‘civil society’ captures a vast diversity of different interest groups who may have little in common in terms of values or ideals.

59. But at times the language that frames the use of the term ‘civil society’ in development discourse does not address this. Rather than defining civil society as some kind of homogenous mass that will automatically act in unison, effective civil society participation depends on dealing with differences of class, gender, ethnicity, religion, age, and other factors....the building up of shared goals through different CSO networks or other forms of alliances that enable these organizations to work together, to prevent energy being fragmented in turf wars or political contestation. What is frequently missed is that this is partially dependent on a relationship with the state and its public institutions that is linked with state/society dynamics. Thus, effective participation and accountability partially depend on ‘constructive co-existence’ in which collaboration will have as large a
role as contestation. This requires an assessment of the degree to which different CSOs reach varied low-income groups both in terms of geographic distribution and intra-household. The effectiveness of CSOs is also linked to the quality of their interaction with social groups and the ways in which their actions affect short term participation dynamics and longer term accountability mechanisms.

**Decentralization and Accountability issues in Hybrid Settings**

60. The issues of representation, power and responsibility all occur within existing sets of relationships and social dynamics. Various actors, including elected bodies, customary authorities, administrative appointees, local representatives of technical services and ministers, community groups, “development” committees and NGOs, are receiving power or responsibility due to decentralization processes. The types of agencies and actors who take on new powers or responsibility in decentralization processes will contribute to the results. Different agencies and actors have varied forms and dynamics of relationships of accountability, and these inform and drive how new power is exercised at the locally.

61. The rules governing the formation and functioning of local government are integral to decentralization. The national political dynamics interact with local relations to shape the emergence of different forms of accountability. The explicit and implicit aspects of decentralization shape both upward and downward accountability, and the different pressures and expectations will help determine the balance between upward and downward orientation by different local authorities. Understanding the implications of decentralization requires a detailed understanding of the ways in which existing power relations and authority are linked with, undermined by, created or supported in the newly formed local political-administrative landscape, as well as their relations with both the central polity and local communities.

62. Elected councils frequently play a role, though sometimes quite limited as functioning local authorities in decentralized systems. These elected local bodies have been designed and provided functions and resources in a diverse set of circumstances. To determine their accountability and responsiveness to different local interests, it is necessary to assess the processes that bring them to office. This includes how much the national government or various political parties play a role, as well as the systems for candidate selection, vetting and support once in office. The relative capacity of higher levels of government to provide oversight, as well as the potential for local community organizations to ensure accountability contribute to the functioning of these councils.

63. Part of the state/society nexus can be found in the ways in which hybrid authorities take shape between traditional leaders and representatives of the nation state. Before there were colonial systems, let alone independent nation states, African societies had a range of governance systems that evolved along particular lines and forms. In many countries, some aspects of these pre-colonial systems (which were not static, but evolved in relationship to the colonial authorities) have retained credibility and power.

64. A paper by Carolyn Long raises and then succinctly addresses the relationships between traditional authority and decentralized ‘modern’ structures which are hybrid
systems, and how they are seen by the people who live within their multiple authorities. She cites survey data from Afrobarometer to make that the case that for people who actually live within these hybrid systems, they generally do not significantly distinguish traditional and modern authority figures in ways that might be expected. She argues that from reading Afrobarometer’s surveys, it is possible to make the case that the combination of ‘selected’ and ‘elected’ leaders is frequently seen positively.

65. Understanding of common players in a single, integrated political system. Thus, positive perceptions of chiefs go hand-in-hand with positive assessments of elected leaders and vice-versa. This connection is especially strong between traditional authorities and local government leaders. Far from fighting a pitched battle for public support, the fates of each appear to be inextricably linked.

66. There is variability in what these institutions looked like historically, in what sorts of rules, roles and relationships were imposed on them by both colonial and post-colonial administrations, and in how they have adapted, both individually and collectively, to the many pressures and often competing incentives that they have faced over the years. There are commonalities as well including concerns over the exclusion of women and youth, the potential social pressures that create a demand of consensus and the risk that these institutions will undermine other accountability processes.

67. Logan argues that in focusing so intently on missing mechanisms such as the lack of elections, critics neglect other features of traditional systems that may also be relevant to their democratic compatibility. These include the opportunities they offer for everyday participation (as opposed to periodic voting), as well as their simple familiarity and consequent accessibility. Community-wide gatherings in Africa have long offered a space for voice, and in the post-independence era, frequently there have been improvements in women’s and youth participation.

68. In the specific instance of Mali, Olivier de Sardan found that while decentralization has reduced certain powers of canton chiefs, these individuals frequently retain forms of power through two distinct mechanisms. One if through their roles as consultative members of the commune council, and the second is their assumed role as leader of their ‘kinsmen and dependants’ in various local systems, whether health committees or municipal councils. He assesses their role as potentially obstacles to reforms, as relatives of the canton chief may be immovable from their positions of responsibility due to the protection provided by their head leader. In addition, these chiefs can play significant roles in project planning and funding.

Accountability and Service Delivery

69. Because social services are delivered at the local level, the quality of service becomes a key aspect of any process of decentralization. The idea of bringing services closer to the
clients is appealing, but in many cases, it has been found that local governments lack the basic skills for managing these programs. Decentralization processes need to include overall assessment of capacity available, as well as capacity constraints at local levels. This can provide better support for the basic training of local service personnel and managers, in addition to provision for on-going skills maintenance, linked with mechanisms for assessing quality of delivery.

70. In each context, there are inter-relationships between increased autonomy of service providers, greater community voice and engagement. The links, when well established, can improve information available about service sector activities that strengthen accountability through double oversight---central government and communities that are being served. In assessing the processes around decentralization, it is important to consider the balance between various benefits from the specifics of a country’s approach to decentralization against the potential or even likely costs.

71. Further, increased dependence on local resources can lead to regional inequalities, with the potential for reduction in horizontal equity. Finally, decentralization processes can be driven by a combination of national politics and criticisms from accountability movements (as in Kenya) or by decisions taken top-down through internal state politics (as in Rwanda), which means that there are likely to be significantly different opportunities for community participation in more political decisions.

72. Decisions on services can have different impacts depending on the nature of the service, the decentralized structure, and the national goals involved. A paper on the impact of national commitments to Universal Primary Education by Sasaoka and Nishimura argues that local participation and accountability in education have been undermined by the ways in which UPE has been promoted in Kenya, Tanzania and Uganda. They found that while parents were generally favorable to the goals behind the UPE goals that the actual functioning of the state driven process tended to reduce local accountability. While the process of UPE emphasized participation, in practice the central bureaucracies limited the potential for decentralized flexibility in the implementation. The School Management Committees tended to be both controlled by local elites and limited by the Ministry of Education’s guidelines.

73. The Rwandan government promoted widespread decentralization in the years between 1994 and 1997, and the subsequent evaluations of this process have generally been quite positive in terms of basic service delivery. For example, Parents and Teachers Associations were been given the mandate to take over the management of schools working with the head teachers. (World Bank 2006) Recent assessments have shown that the new PTA and head teacher joint management arrangements have often been successful in engaging parents in the management tasks. Through PTA’s involvement, parents and communities have improved their knowledge and skills in education management and have in some provinces mobilized and recruited additional teachers (paid by the parents) to reduce the teacher/pupil ratio. Nursery schools to cater to pre-primary education, not provided by the government, have been established through PTAs, which have also introduced subsidies to poor children to pay for secondary education.
74. Recent assessments also noted that there are still notable challenges in linking the
government’s decentralization processes with community participation. Problems
identified included an insufficient flow of information to families, and lack of training for
parents. Information concerning the transfer of funds to schools, for example, is sometimes
irregular, which makes it hard for parents or communities to make decisions on budgets and
spending priorities. In addition, PTAs and head teachers have little if any understanding of
planning, budgeting and financial management, and there has been little training done with
them.

75. Work in the provision of water was found to be quite distinct, as the process has often
involved community management of funds or community contract mechanisms.
Community participation involves bringing together groups that may both identify and
select the sites for construction of safe water points. They also hire local technicians and
mobilize funds for maintaining the water facilities. Various designated vulnerable groups
(very poor, widows, genocide victims/survivors, etc.) are exempt from such contributions.
Sometimes the district authorities provide some funding but this is often limited. Low
technical and financial capacity was found to be one of the main problems that still affects
provision of water supply

Limits to Participation and Accountability Processes

76. The preceding review of service delivery and of hybrid systems is a reminder that
there are a number of factors that can limit participation and accountability. These include
the nature of local socio-economic relationships of power and the ways in which national
political processes determine how much and where accountability can be produced. Field
research by Diana Cammack and her colleagues argued that in the cases of both Malawi
and Uganda, there are significant limits to how much accountability exists. The authors
argue that both Uganda and Malawi represent national level hybrids that blend the formal
(legal-rational) institutions with varied informal (patrimonial) relations. This leads to an
ever evolving set of relationships, with the negative consequence that there are a
multiplicity of rules which results in a lack of consistency in the systems and in practice.
This partly driven by the potential for wealth through use of state mechanisms for capturing
resources and partly due to the nature of national politics where institutions serve as means
for short-term gain.¹²

77. Hetland noted that in Mali the process of decentralization led to tensions and power
struggles over local rights to land, resources and political access. He noted that this was
more than “just a question of first-comers versus latecomers.” He cited a study by
Nijenhuis (2003) that outlined an increase in political conflict in a village in Southern Mali,
as the process of decentralization generated conflict between two ‘traditional’ communities
that were both able to that both able to utilize the process of political change to restore to
them their local power positions (a young educated farmer on the one side and village
elders on the other). Hetland further summarizes the research to note that while the political
process led to a divide between these two groups, ‘the really marginalized are the migrants

¹² Though one could ask how much this differs from politics in OECD countries.
that settled in the area later and ‘find themselves being chased off their borrowed fields for choosing the wrong side’ (Nijenhuis 2003).

78. In a different way in terms of limitations, Crawford’s paper on Ghana presents useful distinctions between accountability expectations for specific products (particularly various services) compared to accountability and processes, such as provision of information or regular public meetings/consultations. He summarizes his field work with the view that the two major weaknesses in Ghana relate to the ways in which local executives are appointed by the President, reducing accountability to local communities, and the lack of capacity or interest by CSOs in holding local authorities more accountable for the deeper structures of participation.

79. Kauzya summarizes his three country review (Uganda, Rwanda, and South Africa) with the reminder that too frequently discussions on participation are generalized, which is counterproductive and infeasible for the diversity of African experiences. Based on his research and other community level assessments, it is a reminder that participation should not be generalized. There are groups who need special attention in order to promote and encourage their participation. These are mostly women, youth, and the disabled as well as the very minority groups. While in certain societies provisions are made to make such groups represented in for example national legislatures and in the national voting processes, this is very limited. Their participation can be best promoted at local community level within a framework of decentralized governance. In order for them to have their influence on the development process, inputs, and outputs, they need to participate using the vote, their voice and their direct action by engaging in specific activities.

80. Detailed attention was given in both Uganda and Rwanda to structure the local government councils in ways that would ensure significant representation of women and of youth (Kauzya). The mandate in Uganda was that at least 33% of the members of each local council had to be women, and in Rwanda the level is 50%. In practice, however, the numerical presence of women does not mean that they have equal impact on the decisions taken. Kauzya cites the Ugandan former Director of the Decentralization Secretariat as observing that although there was a significant improvement, the number of women serving on Local Government Councils, increase of female representation in decision-making process does not automatically guarantee that the decisions are more gender sensitive.

81. Yet, even with these shortcomings, the authors of a number of studies cited in this paper, found that there were openings and opportunities created by decentralization. As Devas and Grant found in their research, “In both Uganda and Kenya, there are signs of a greater awareness on the part of local governments of both the need for and the possibilities of widening citizen participation in decisions, including by the poor. There is also recognition of the need for greater accountability to citizens. In some cases, this does not go much beyond rhetoric—a response to the discourse of the donors. But there have been some small yet significant advances in recent years. Although the obstacles remain great, there are examples of good practice in each country, often associated with particular local circumstances at a particular point in time.
82. For participation and accountability to work effectively, information needs to be shared widely and strategically, and this is not yet the case in most contexts, as in the distinction made by Crawford on experiences in Ghana. The capacity of both local governments and civil society organizations needs to be strengthened if they are to be able to engage, in an inclusive manner, in real debate about resource use and service delivery. Given the weakness of downward accountability to local citizens in most countries, upward accountability, through performance monitoring and grant conditionality, plays a crucial role. Indeed, the enforcement of performance conditions has probably had a greater impact on improving local government performance in Uganda and Kenya than has local accountability through the electoral system. However, there is also a risk that the emphasis on upward accountability impedes the development of downward accountability, as local officials and elected representatives devote their attention to meeting external performance conditions and can hide behind central government funding requirements as an excuse for failing to deliver to local citizens.

83. Finally, one can see from these country cases that there is no automatic progression from decentralization to the inclusion of the poor. This will only happen if there are effective countervailing pressures to local elite interests, whether from central government, donors, the media or organizations representing the poor. Here again, the obstacles are substantial.

Accountability: Concluding Lessons and Comments

84. The various studies have shown that there are a number of key factors that support participation and accountability linked to decentralization. A critical element that is difficult to measure or promote from the outside involves the role of local leaders, both in government agencies and in civil society. This in turn relates to how effective local leaders are in regards to establishing good working relationships between local officials and community organizations. Another element involves the ways in which external expectations are translated from civil society organizations, from the media, especially local radio, and from central government oversight. Finally, several authors also point to the importance of having different outlets for ensuring the increased availability of information.

85. The institutional arrangements being created in the name of decentralization do not always have clarity in terms of how the structure of the arrangements reflects the stated goals of a particular decentralized system. This relates to the degrees to which decentralization may provide new rights to citizens as opposed to transferring allocated new powers to local authorities. In regards to what happens with local authority in practice, the planning processes and oversight must be carefully organized to reinforce the mechanisms for participation and accountability, rather than either having higher level administrators act outside of local relations or having local elites predominate. Encouragement for civil society organizations may crystallize around promoting accountable local government, but civil society should be viewed as a complement, rather than alternative, to accountable forms of government.
86. Diana Cammack and Edge Kanyongolo summarize that their research found three significant ‘proximate causal variables and associated social mechanisms’ that came out of their Malawi fieldwork. They identified these three as key factors that shaped the production and delivery of public goods. They described these as the ‘sanctions regime’, the relative cohesiveness of the community, and the coordination amongst different actors and agencies. They describe the sanction regime as being effective when rules, norms, and regulations are clearly delineated and enforced, whether by state officials, community leaders or traditional authorities, public goods are more likely to be satisfactorily provided. Coordination among actors and agencies Thus, horizontal coordination is poor in most places, but especially in those where there are multiple overlapping jurisdictions and no single authority capable of imposing on the rest.

87. The interplay between perceptions of accountability as a concept and practices of accountability could be used to further research the causal-effect relationship between the two. The study shows the relationship among accountability, governance and transparency are uncertain, which tend to make LGs stakeholders take the linkages among these three for granted without further clarifying the relationship and at the same time, there tends to be methodological ambiguity or difficulty to promote accountability through governance in LGs. Therefore, the research about accountability and its related concepts such as governance should be more detailed.

88. Relativity of accountability appears to bring about lots of difficulties to construct any framework of accountability or norms of accountability for LGs to follow. The research should be done to study the implications of relativity in practices as well as in efforts to establish certain norms. The findings of this review support the arguments that decentralization processes need to incorporate political perspective of accountability. The application of political perspective in issue of accountability should be further explored in research and practice.

89. The findings indicate several reasons for the lack of LG accountability practices towards communities, which include the lack of awareness and interests among communities to demand accountability from LGs; the mismatched mechanisms of LG accountability with the capacity and beliefs of the community; and the lack of formal and systematic mechanisms to inform, respond and involve the communities. Therefore, it is recommended that LGs could possibly enhance their accountability towards the community through the following approaches:

- To raise the awareness of the communities about the need and right to demand accountability from LGs through media, campaign, and community gatherings;
• To empower and encourage communities to ask the LGs to explain, inform and evaluate their work in the communities; this could be done in LGs daily work and interactions with community;

• To develop and install more community-compatible and more systematic accountability mechanisms such as regular reporting to the community gatherings in their language or to conduct participatory evaluation by the community members;

• To involve the communities in the activities, evaluation, planning of LGs' work at higher-level participation;

• To raise the awareness of LG staff about accountability of long-term intangible objectives of the LGs and strengthen the evaluation of long-term intangible objectives of the LGs in terms of difference that has been made in the communities through trainings, and workshops.

90. Among the major challenges that have been identified in the past few years are those of coordination, clarity on specific responsibilities, and capacity issues for service delivery in particular. Some of these can be further elaborated below:

- **Oversight**: This means the ability of various governmental institutions, non-governmental entities and individuals to supervise the operations of local government. Effective oversight facilitates accountability at both the “national” and “local” levels; it therefore appears to be a critical component of successful decentralization.

- **Legal Framework for Hybrid Systems**: In contrast to assuming a simple decentralization of the responsibility of local governments, legal frameworks or regulations could outline how distributed powers exist between to local governments and traditional authorities, possibly reducing conflicts or functional imbalances.

- **Local Government Capacity to Deliver Services**: Many local governments are not ready to provide the expected services due to their insufficient capacity and possible lack of resources.
• **Willingness of Civil Servants to Work for Local Governments:** Frequently, civil servants are to be transferred to local governments. In some cases, there may be significant friction between those transferred and local authorizes, as some central government civil servants might not want to be moved.

• **Accountability of Local Officials:** As local officials become more responsible for budget and regulations, they would become more accountable to local communities. But often the mechanisms for accountability are unclear or weak.

• **Clarity and Consistency of Implementing Regulations:** There is a need for clear and consistent regulations that govern the implementation of the decentralized local governments, otherwise confusion may arise regarding the assignment of expenditure responsibility, local tax authority, borrowing powers, and the system of grants.

• **Moving forward with Second generation reforms** Decentralization is not a one-time process. Countries that began to decentralize ten or twenty years ago are facing challenges in how to move forward from one set of decentralization systems to new approaches, partly based on assessments of their current experiences. This relates to the evolution and sustainability of the different elements of decentralization, which are shaped by the particular mechanisms used to establish and empower (or not) communities, and on-going processes such as changes in the country’s constitution, different legislative instruments or governmental decrees and standing orders.