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Evaluation of decentralisation and development

Decentralisation in developing countries –
experiences and lessons learned

A report to the DAC Ad Hoc
Group on Evaluation of Programs promoting
Participatory development and Good Governance

*by Berit Aasen, Odd E. Arnesen,
Stein S. Eriksen and Arne Tesli*

*The Norwegian Institute for Urban
and Regional Research (NIBR)*

A report submitted to the Royal Norwegian Ministry of Foreign Affairs
by the Norwegian Institute for Urban and Regional Research (NIBR)

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Preface

In 1993 the OECD/DAC Group on Evaluation initiated a project to *Evaluation of Programs Promoting Participatory Development and Good Governance (PD&GG)*. A PD&GG Steering Committee was established in the same year to guide the work. Five topics were selected for evaluation; legal systems; public sector management; decentralisation; human rights; and participation. Norway volunteered to be responsible for evaluation of the theme decentralisation, and in 1994 the Norwegian Ministry of Foreign Affairs commissioned an Approach Paper on Decentralisation in Developing Countries

from Arne Tesli at the Norwegian Institute of Urban and Regional Research.

In the fall of 1995 Stein S. Eriksen complemented the description of the country cases, and in the fall of 1995 Odd E. Arnesen added the case material on Central and South America. Berit Aasen also joined the project in 1995. She wrote the chapter on donor experiences and participated in the work and workshops in Paris in October and November 1996 on the final report on Evaluation of PD&GG in OECD/DAC. She also updated and edited the final draft of this report.

NIBR, February 1997

Terje Kleven

Research Director



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Main conclusions

- 1 The contribution of decentralisation to improving democracy and equity seems promising in a number of countries, especially middle income countries with a long history of nation building and a long bureaucratic history. However, decentralisation seems to have limited impact on governance in many of the least developed countries, where decentralisation is carried out in a period of economic crises and stagnation, and under considerable external pressure.
- 2 There is considerable ambiguity in willingness to decentralise real power and resources from the central government in many of these countries. This is partly rooted in differences in interest, but also in weak capabilities and a number of other problems at the local level, such as lack of administrative competence, weak planning and control systems and lack of coherent local mobilisation.
- 3 In most developing countries the decentralisation reforms are ambiguous and often create confusion and uncertainty at the local level about the rules and policies governing the decentralisation. Local authorities and local population is often ill-informed about current decentralisation policies.
- 4 Decentralisation has improved management efficiency and financial performance in certain cases, both in Asia and Central and Latin America. However, most local government systems, particularly in Sub-Saharan Africa have been hampered by unclear authority-relations and roles, detailed central intervention, weak accountability and lack of funds.
- 5 The experience with donors' involvement in decentralisation has been mixed. Donor support has to a large extent been focused on administrative structures, and they have not paid satisfactory attention to the political forces and processes – especially at local level. When analysing development assistance and decentralisation reforms, one has to take into account all aid, not only the small proportion of aid going into local government strengthening.
- 6 Most development assistance, sector support etc., has gone to strengthen government and institutions at central government level. In this way, the central government and institutions may also have become less dependent on local groups and structures, and therefore less interested in establishing a good dialogue and mutual cooperation with them. It is therefore important to relate decentralisation reforms to public sector reforms more generally, incl. ministerial reforms.
- 7 There has been a debate among donors about the relative importance that should be given to strengthening government institutions as opposed to sectoral support. Capacity building will work best if institutions have substantial tasks and responsibilities. The prospect of successful decentralisation and improvement of local government performance will probably be enhanced if it is combined and coordinated with either capital funds or sectoral support.
- 8 Recent studies critical of traditional training programmes for capacity building, have recommend efforts to build and improve political and organisational cultures, which are more conducive to accountability and transparency. This means more in-house training and programmes for organisational developments, improved working methods and procedures.
- 9 There is a strong need for monitoring and evaluation of programmes promoting decentralisation and local government reforms. Today there exist only scattered evidence of the effects and effectiveness of such programmes. Responsibility and capacity for conducting monitoring and evaluations should be strengthened in developing countries, and the donors should coordinated and share information from their reviews and evaluations. There is also a need to invest more in research capabilities on these topics at universities and research institutions in developing countries.

Executive Summary

1 Key concepts

Decentralisation refers to attempts to change the balance of power from the central government to local, regional, or more generally subnational levels. Decentralisation thus relates to the institutional framework for administration and political governance in a country, and to the role of, and the relationship between, central and local institutions – both public and private. Decentralisation can take the form of transfers of power to govern, tax, plan and implement projects.

The reasoning behind, and the strategies referred to, when a country adopts a decentralisation policy, are mainly concerned with two broad categories, namely: *political and administrative strategies for decentralisation*.

The term «decentralisation» has been used to describe a variety of institutional structures and arrangements. It is, however, common to distinguish between four major forms of decentralisation:

- Deconcentration;
- Delegation;
- Devolution; and
- Economic deregulation

Usually countries base their political and administrative system on a mix of several of these forms of decentralisation, mostly a mix of devolution and deconcentration.

Deconcentration

Deconcentration involves the *transfer of selected functions* «... within the central government hierarchy through the shifting of workload from central ministries to field officers, the creation of field agencies, or the shifting of responsibility to local administrative units that are part of the central government structure». At the local level, government operates in separate ministry offices, or line-agencies as it is referred to in some countries. Deconcentrated staff of line ministries are not accountable to elected local authorities, but to mother line ministries.

Delegation

Delegation involves *transfer of responsibility for maintaining or implementing sector duties* to regional or functional development authorities, parastatals and other semi-autonomous government agencies, that often operate relatively independent of central government control. Delegation usually occurs in sectors that have a relatively sound income-generating basis, such as; energy production and supply; tele-com-munications, public transportation, etc.

Devolution

Devolution involves the *transfer of discretionary authority to legally constituted local governments*, such as states, provinces, districts or municipalities. In devolved systems, responsibilities for a wide range of operations, encompassing more than one sector, are assigned to local governments. An essential characteristic of this kind of discretionary authority is that the overseer role of central government is limited to ensuring that local governments operate within very broadly defined national policy guidelines. In devolved systems, *local level (sector) staff is responsible to local elected councils*, rather than to sector ministries.

Economic deregulation

An aspect of the decentralisation has been the drive to *shift responsibilities for certain economic production and activities from the public sector to private or quasi-public organizations* that are not part of the government structure. Central in this, are the efforts to *de-regulate* the central government's economic control, and promote strategies for private sector development or community participation and private-public partnership. The shifting the responsibility of development efforts from the state to the community, and . This raise the issue of the role and capacity of the state as a regulator and standard setter.

2 Political and administrative issues

Decentralisation has become an *important political issue*. Devolution and democratic decentralisation is a more difficult and complex process than deconcentration. It raise the political questions how decentralisation

to local authorities and increased self government can be balanced against the nation states' concern for national unity, integration, equity and security.

Democratic decentralisation does not exist independently from political processes at central government level. Democratic rights, independent judiciary and civil rights are vested in political and legal systems at the national levels. The democratic nature and outcome of decentralisation will depend on, or at least be influenced by the democratic system and culture at the national level.

A series of objectives and potential benefits can be linked to decentralisation, and it is useful to distinguish between four major objectives:

- (i) To improve democracy and political equity;
- (ii) To improve management efficiency;
- (iii) To improve financial performance through increased revenue generation and rational expenditure decisions; and
- (iv) To provide a better environment for private enterprise and responsiveness to local needs.

Democracy and political equity

Decentralisation of government is generally seen as an element of strengthening *democracy*, a way of bringing decisions closer to the people whom the decisions concern, and a way of achieving a stronger participation of ordinary people in decision-making at the local level. It is frequently argued that decentralisation may help reduce regional inequalities in terms of development, and contribute to more equal distribution of resources and opportunities.

Politically, decentralisation can imply the transfer of power to people and institutions in the periphery who otherwise would not have much influence on decision-making at local or national level. In this way, decentralisation may be an important instrument for improving democracy and achieving better governance. The tendency of some central governments or elites to become all-powerful can also be controlled or counter-acted by stronger local or regional governments.

However, it should also be observed that decentralisation sometimes may be a way for the *state to penetrate and control the (rural) society*. An intention of decentralisation strategies may thus be to enhance the

leading role of the dominant party or the government. Decentralisation can also contribute to *maintain economic and other differences* between regions by reducing the central government's obligations or efforts to subsidize or stimulate less developed areas.

Changes in management efficiency – improved service delivery

One of the most important arguments for decentralisation is that it can enhance and strengthen a country's management and *administrative efficiency*. Administrative effects that one wants to achieve by decentralisation are to:

- extend public services to rural areas, and improve administrative and managerial capacity;
- increase efficiency and effectiveness in government operations;
- enhance economic and social development programmes;
- reduce overload and congestion in channels of administration and communication;
- facilitate more effective integration of government programmes, and thus improve the technical capacity to deliver public services at local level;
- improve opportunities for government accountability.

Decentralisation can improve public management, economic performance and income-distribution, but decentralisation of economic management functions can also result in maintaining old-fashioned or historically-rooted public sector inefficiencies. Transferring authority and power to the public sector at the local level does not automatically result in institutional strengthening that foster greater efficiency and equality. *A separate effort and funding for local administrative capacity building is often necessary.*

Financial performance and economic efficiency

Decentralisation can improve *economic development*, equity and income distribution. However, local councils often experience serious difficulties and are inefficient in their efforts to collect levy. The *revenue basis* is generally low – both centrally and locally, and resistance to taxes is widespread. The central government frequently fails to come up with the necessary funding for activities that the local authorities depend upon them to provide. Decentralisation of functions and tasks to

local authorities without securing the necessary funding is common.

Systems of financial decentralisation will both have to include (i) systems for raising local revenue generation, including (to some extent) authority over revenue generation opportunities, (ii) relevant and «just» systems for Central Government financial transfers. Without proper systems for financial decentralisation there will not be possible to develop sustainable local government systems.

Improved environment for private enterprise and responsiveness to local needs

In a large number of developing countries there has been a high level of government involvement and intervention in economic activities and production of services. Generally, economic efficiency in these government enterprises has been very low. An important discussion in the developing countries is what the proper size and scope of the public sector should be. Greater freedom in selecting methods and adapting solutions to local level priorities and resources, should according to the proponents provide higher level of services for less cost. It is argued that the local authorities will, on the basis of knowledge of local situation be in a position to select more efficient local solutions based on local availabilities of resources, institutions and cultural norms.

3 Transfer of political power – impacts on governance

There is considerable *ambiguity in the willingness to transfer real political power and influence* from the central government. Even when legal powers, functions and tasks have been allocated, *adequate personnel and financial resources are commonly not provided*. Thus an assessment of the current situation might be as much about the impact of a failed and muted decentralisation, as of the impact of decentralisation.

The general *lack of real delegation or devolution of powers* is partly rooted in a number of weaknesses of local governments and problems at the sub-national level. When designing and carrying out schemes for decentralisation, there is always a *danger that conflicts along ethnic or religious lines* – or along other differentiation mechanisms – may emerge. In particular, conflicts may arise when this is also linked to control over scarce

resources, employment opportunities, incomes, etc. *Multi-party systems have increased this vulnerability* in many African countries, where there often are tensions between the party in central government position, and opposition parties which might be dominant in certain regions of the country.

In many developing countries *local councils have failed to establish themselves as credible institutions* for articulation of local interests. People often tend to consider them more as local agents for state power than as institutions representing local interests. The lack of legitimacy often expresses itself in low political activity and low public participation at the local level.

A different pattern seems to have emerged during the last decade in Latin and Central America, where pressure has been generated at the local level for decentralisation and improved local political authority and political accountability after the fall of the authoritarian regimes. A strong civic movement, direct election of majors, and highly competitive multi-party elections seem to have contributed to this.

In some countries, national political leaders have used decentralisation schemes to try to avoid the responsibility for the delivery of services by shifting the blame for poor performance to local authorities.

- In practice, the transfer of real power to local authorities has often been *more rhetorical than real*;
- *control over funds and personnel* at the local level is generally quite limited;
- the *capacity of local administrative institutions is low*; and
- the *coordination of planning and implementation* of development projects is inadequate.

Devolution of functions and tasks to locally elected councils without enabling them to have sufficient resources through appropriate financial decentralisation, has clearly had a *negative impact on governance*. Again *Central and Latin America shows a different picture where increased financial resources has enabled the local council to carry out government services more efficiently, and where governance has improved*.

4 Decentralisation and coordination between different administrative levels

Most countries have *dual systems of local government*, with a local government system of local authorities, and a deconcentrated staff from the ministries. It is often a tension between these levels of decentralisation:

- i) The system is often not clear regarding which *tasks and functions* should be handled centrally, and what should be dealt with at local level.
- ii) Elected representatives at local level are frequently *overruled by government officials*, who in practice have more power, through better access to resources, and through strong links with line ministries. Technical expertise often have superior positions and prestige.
- iii) The intended local *horizontal co-ordination among central government's line agencies* is difficult. The officers tend to fight for resources for their individual department instead of promoting cooperation.
- iv) The central government's officials may have a tendency to be more concerned with long-term economic projects, while *local representatives and the people are more interested in short-term social issues and programmes*.

Recent analyses of decentralisation in developing countries stress the importance of *vertical linkages*. Agencies at the central level must also be reorganized and re-oriented to be in a better position to support decentralisation. Proper decentralisation also imply *reorganisation of ministerial organisation for service delivery*. That is why decentralisation reforms have to be coordinated with ministerial reforms under the current *reform programmes* in developing countries.

When for example *social services* have been devolved to local authorities this has implications for lines of communication to the respective ministries. A challenge for future devolution of the responsibilities for social services to local authorities will be to work out *proper arrangement of authority and communication between district councils and the respective ministries*, including division of labour and responsibility between sector ministries and the Ministry for Local Government.

5 Local government capacity – impact on service delivery

Inefficiency in local government often manifests itself in a *lack of capacity to implement policies and to control financial and other resources* for planned projects and programmes. Procedures for *accountability* is lacking. Equipment and materials are frequently diverted for private use, and many authorities fail to produce audited accounts. This lack of efficiency may be related to lack of adequately trained personnel, but also to *inadequate regulations and enforcement mechanisms*. It may also be related to the structural relations between local and central authorities. There may sometimes be some alliances between the central and local elites, and the local population may not have the power or the resources to control the actions of the elite.

Local governments' budgeting and planning models are often inadequate. In several countries district plans tend to be presented as aggregated 'shopping lists' made up of suggestions submitted by villagers and district councils, as well as the central government's line agencies.

6 Deregulation and privatization

One of the most important elements of the recent decentralisation strategies of developing countries, have been the policy shift from attempting to *control economic behaviour* through participation in the production of goods and services, to providing an *enabling environment for private sector production and investment*.

It is important to *distinguish between provision and production*. The current ideology is that governments should limit its involvement to primarily cover provision for services, and establish an environment that promotes private economic activity and production. This may substantially reduce many of the problems related to inadequate capacity at subnational government levels. However, in order for local authorities to exercise their responsibilities for provisions properly, they need to be able to carry out some essential management functions, including information systems (data collection), standard setting and monitoring and control mechanisms.

There is *little systematic experience with devolving government services to the private sector and NGOs and community organisations*. The great variations in economic development and organisational level of devel-

oping countries make it impossible to provide general conclusions. The African countries have experienced that there are few partners to come in on the provision of social services. Also regarding the devolution of government services in the technical infrastructure sector, there is a lack of a proper market in the African countries, which makes it difficult to set up private/public institutions for the provision of road building, water supply etc. The knowledge is still very rudimentary on the current experience of privatisation and public/private partnerships.

7 Revenues and expenditures – impact on the economy and public finances

In almost all reports on decentralisation, the importance of local revenues and incomes have been pointed out. Equally apparent has been the overall scarcity of financial resources that seem to characterize local government institutions in general. The financial aspects of the decentralisation policies relate both to revenues and expenditures. Many African countries do not have proper systems or capacity for financial planning and budgeting at local level. On the other hand, the current decentralisation in Central and Latin America has improved the financial base and quality of the services delivered locally.

In the least developed countries economic stagnation and lack of financial resources are major barriers to sustainable local governments. Local revenue barely covers local staff's salaries, while line ministries control Central Government transfers. This way local governments are not made accountable for their financial planning and spending.

Some tend to argue that provision of services and revenue collection should be equally decentralised. However, there is a fallacy in this line of reasoning. For instance, some taxes are more suited for decentralisation than others, and when considering whether to decentralise taxes, one ought to be guided by two principles: efficiency, and fairness.

According to the principle of fairness, tax bases that are strongly unevenly distributed between local governments or regions are not suited for decentralisation. For instance, taxes based on natural resources should remain under the control of the central government. Import taxes or value added taxes, where the burden of the tax imposed in a given jurisdiction can be borne by

taxpayers established in another jurisdiction, are not suited for decentralisation. For efficiency reasons, taxes that can induce people or companies to move away from high rate areas to low rate areas, are not applicable for decentralisation. It would lead to misallocation of resources. The most typical example here is the personal income tax.

If one accepts the idea that the decentralisation of expenditures is more desirable than decentralisation of taxes, one must conclude that transfers or subsidies to local governments are necessary and needed. Transfers or subsidies should therefore be considered as an integral part of decentralisation policies and strategies. A relevant question is; what types of subsidies should be utilized, and according to what criteria should they be allocated? The design of financial decentralisation should therefore be a major component of all decentralisation programme.

8 Donors' support and involvement

Foreign donors alone cannot establish a well-performing local government in developing countries. Both strong national political commitment and existing capacity to implement reforms are conditions for successful reform programmes. If these conditions are fulfilled, donors could support a process leading to improved local government performance, by assisting in capacity building, institutional support and development funds.

However, donors should also be aware that by channelling funds directly to the strengthening of state institutions, they inevitably take on a more political role. Aid programmes historically seem to have strengthened central governments in the recipients countries, and oriented their accountability towards the external donor community, while implicitly weakened the accountability towards the national and local political constituencies.

Institution building versus sectoral assistance

There has historically been three ways in which foreign donors have been involved in supporting decentralisation;

- (i) *Support to local government reforms as part of Public Sector Reforms or Civil Service Reforms. This include projects aiming specifically at institution building – both support to the*

design of relations between local and central authorities, assistance in the implementation of decentralisation programmes and support to reform programmes and institution building at the local level;

- (ii) donors can support *decentralisation of various sectors, including both support to line ministries' coordinating units, and pilot projects to be implemented directly by local authorities;*
- (iii) *district development programmes and Integrated Rural Development Programmes (IRDPs)*, support is given to a combination of sectoral assistance and institution building, in which donors assist local authorities in the implementation of sectoral projects.

There has been a debate among donors about the relative importance that should be given to *strengthening government institutions as opposed to sectoral support*. On the one hand, sustainable sectoral programmes presuppose fairly well functioning institutions, with sufficient capacity to take over project activities after the end of the project period. This could be an argument for concentrating on support to improving government capacity. On the other hand, given *local governments' lack of funds* and the donor dependency of many regions, a reorientation of donor support from sectoral programmes to institution building could leave local authorities with no other tasks than to develop themselves through donor funded capacity-building projects. The point should be made that *capacity building will work best if institutions have substantial tasks and responsibilities. The prospect of successful decentralisation and improvement of local government performance will probably be enhanced if it is combined and coordinated with either capital funds or sectoral support.*

Assisting the central government in the decentralisation process

As mentioned above, *firm support and commitment from the central government is a condition for successful decentralisation*. In addition, the central government will have an important role in *coordinating and implementing a decentralisation programme*.

In many countries the Ministry or Commission for Local Government is very weak. A central *coordination unit* may therefore be required, although it should be closely integrated into the ministry itself. The coordinating unit could be a division in the Ministry of

Local Government or its equivalent or an independent unit.

Several donors are supporting coordinating units for implementing programmes for Civil Service Reforms, and Local Government Reforms. There has been raised criticism of donor financing of such units. The critics see management of the reforms the responsibility of the developing countries themselves, with donors only supporting activities under the programmes. In many of the least developing countries this might not be a realistic option today. It may therefore vary between countries whether there is a need for such a unit, but if there are doubts about the capacity of the central government for funding such units, assistance should be considered.

The role of technical experts and training

One instrument that donor organisations have used to promote institution building is the so-called *expert-counterpart arrangement*, in which foreign experts occupy positions in developing countries at international salary level for a fixed period. Recent reports have concluded that such arrangements are expensive, and that there is little evidence that they are effective as training arrangements.

As a consequence, many donors are now shifting to *twinning arrangements*, or long-term arrangements for cooperation between institutions in donor countries and recipient countries. This is an arrangement which, in principle, has several advantages: greater acceptance of foreign «donor-side» personnel, who come as fellow professionals with similar problems; flexibility in the type and timing of assistance and the possibility of long term relationships. However, there are a number of potential problems associated with such arrangements as well: the number of relevant and committed donor country organisations may be limited; their knowledge may not be relevant in a developing country context; developing practical arrangements specifying the role of the donor country organisation could be difficult, and administrative costs could be high.

Other arrangements are therefore also in use; (i) short and long term consultancy, and (ii) experts (TAs) on ordinary (high salary) post, with full functioning responsibility (to be replaced in due time).

Projects aiming at improving local government performance have to address the structural and institution-

al factors influencing performance. Less funding will be going into traditional forms of development assistance, such as vehicles, equipment and study tours. There has been several recent studies which have been *critical to traditional training programmes for capacity building*. These studies recommend *efforts to build and improve political and organisational cultures*, which are more conducive to accountability and transparency. This means more in-house training and programmes for organisational developments, improved working methods and procedures.

A *demand driven strategy* where support is given as response to local demands, is recommended to promote local innovative and responsible leadership. Such aid is much more difficult to program and implement than traditional interventions, and there are bound to be failures. But there are no other alternatives if one want to improve the development assistance to decentralisation and governance.

Monitoring and evaluation

There is a strong need for *monitoring and evaluation of programmes promoting decentralisation and local government reforms*. Today there exist only scattered evidence of the effects and effectiveness of such programmes. Responsibility and capacity for conducting monitoring and evaluations should be strengthened in developing countries, and the donors should coordinated and share information from their reviews and evaluations. There is also a need to invest more in research capabilities on these topics at universities and research institutions in developing countries.

There are *three ways* the institutional issues and decentralisation could be better integrated into the evaluations:

- i) when describing and analysing *the organization and implementation of the project/activities*;
- ii) *institutional structures and decentralisation as part of the policy and institutional environment* in which the activities are to operate; and
- iii) *institutional development and decentralisation as explicit dimensions to be included in the results to be studied*, impact on the management systems, and division of labour and responsibility between central and decentralised level.

There is ongoing work on integration of monitoring and evaluation systems into the actual implementation and functions of the programmes. Some donor have has put emphasis on *proper monitoring and regular review missions* during project implementation, where the results from the monitoring, for example systems for local government performance appraisal, can be utilized by the district staff in close col-laboration with programmes.

There are also attempts to use *the evaluation to increase the ownership of the reform programme* has also been tried by some projects. In an institutional environment assessment the public administration themselves participated in the evaluation, to increase their knowledge, reflection and ownership of the problems identified in the assessment, as well as to generate less hostility to organizational reforms; and more rapid implementation of recommendations. Organizing assessments and evaluations with the participation of a great number of people was, however, not without its problems, so *participatory assessments are therefore not recommended as a substitute to expert evaluations and assessments, but as supplements*.

This approach of participatory assessments has its parallel in various attempts to utilise *Participatory/Rapid Rural Appraisal (P/RRA) in monitoring and reporting of development projects*, a techniques that face many of the same opportunities and problems.

These considerations show that there are a number of types of evaluations, and that the selection of *type of evaluation should reflect the types of information and knowledge needed* in the specific situation:

- (i) Expert evaluation (traditional ex-post evaluation);
- (ii) Process evaluation (including reviews and information feedback during project implementation;- important for pilot projects);
- (iii) «Problem oriented» evaluations, with selected issues (for example institutional issues, gender, poverty etc.); and
- (iv) Participatory evaluations, using facilitators to run participatory (monitoring and) evaluation (some times using project staff as facilitators, when the monitoring and evaluation is part of the project itself).

1 Introduction

1.1 Purpose and scope of the paper

In 1993 the OECD/DAC Expert Group on Aid Evaluation initiated a project to *Evaluation of Programs Promoting Participatory Development and Good Governance (PD&GG)*. An OECD/DAC Ad hoc working Group on PD&GG was established in the same year to guide the work. The DAC Expert Group on Aid Evaluation defined decentralisation as one of five theme in its discussion of Programmes Promoting Participatory Development and Good Governance (PD&GG). Decentralisation, it is believed might promote efficiency, equity and political participation. It is therefore of relevance for the development of PD&GG.

The other four themes were: (i) legal systems (US/USAID); (ii) public sector management (UK/ODA); (iii) human rights (the Netherlands/DGIS); and (iv) participation (Sweden/SIDA). The full report was completed early 1997 and will be published by OECD/DAC.

In most developing countries decentralisation is an important political issue, and most countries have adopted strategies for decentralisation. It is usually not a question whether decentralisation should be undertaken or not, rather, it is a question of how to decentralise, and what to decentralise. What powers can be allocated to local governments? Which functions can be delegated to local institutions; what expenditures and taxes can be decentralised; what subsidy or transfer programmes can and should be developed; and what kind of administration and coordinating mechanisms can be utilized? How can decentralisation be coordinated with other reform programmes?

1.2 Topics covered

A series of objectives and potential benefits can be linked to decentralisation, and it is useful to distinguish between at least four major objectives:

- i) To improve democracy and political equity;
- ii) To improve management efficiency;
- iii) To improve financial performance through increased revenue generation and rational expenditure decisions; and
- iv) To provide a better environment for private enterprise and responsiveness to local needs.

1.2.1 Democracy and political equity

Decentralisation of government is generally seen as an element of democracy, a way of bringing decisions closer to the people whom the decisions concern, and a way of achieving a stronger participation of ordinary people in decision-making at the local level. It is frequently argued that decentralisation may help reduce regional inequalities in terms of development, and contribute to more equal distribution of resources and opportunities. It can thus be an important strategy for improving the situation and the prospects of the most impoverished groups in a country. It may contribute in giving them greater choice and better control over their fundamental rights and resources.

Politically, decentralisation can imply the transfer of power to persons in the periphery who otherwise would not have much influence on decision-making at local or national level. In this way, decentralisation may be an important instrument for improving democracy and achieving better governance. The tendency of some central governments or elites to become all-powerful can also be controlled or counter-acted by stronger local or regional governments.

However, it has been argued – at times with good reason – that decentralisation some-times may be a way for the state and the elite to: «... maintain social order and cohesion through structures which ensure, predominantly, the flow of ideas and information downwards from the party and government, rather than from the bottom upwards.» (Mutizawa-Mangiza 1990:425) A hidden intention of decentralisation strategies and endeavours may thus be to enhance the leading role of the dominant party or the government.

Competing political interests can motivate support or opposition to decentralisation programmes. It is therefore important to identify and assess the motivation for decentralisation among different groups or political actors. Economic and administrative rationales for or against decentralisation are often advanced to conceal the primacy of political interests or issues. These political considerations are particularly intricate when decentralisation efforts are undertaken in the context of building national unity. Quite often decentralisation result in the allocation of resources and benefits to a particular

region, ethnic group, or other subset of a country's population.

One serious obstacle to decentralisation strategies and policies, is that allocation of power to locally established elites or ethnic groups may sometimes be at the expense of other groups, or a more broadly based participation and equity. In some cases the political leadership at the national or federal level may be more progressive and in favour of equity and distribution policies than the elite at local level. If this is the case, decentralisation may be a disadvantage for poor and vulnerable groups. For instance, the Civil Rights Movement in USA in the 1960s was very dependent upon support from the Federal authorities. A similar situation can be observed regarding the struggle against the Caste system in India. Many observers have argued that the decentralisation programmes in India have lead to further strengthening of the existing elites interests and privileges, and have not fundamentally changed the situation of the poorest groups.

Decentralisation can also contribute to maintain economic and other differences between regions by reducing the central government's obligations or efforts to subsidize or stimulate the less developed areas.

In addition to (i) increasing the power of people in the rural areas; and (ii) reducing poverty by encouraging a transfer of resources from central to peripheral areas, Ingham and Kalam (1992) also include a third aspects of decentralisation that is important. Decentralisation should also increase the people's opportunity for making «iii) ... choice, drawing on the experience of cultural diversity and the shared nature of knowledge.» (p.374)

Central and Local Authority

In a unitary country local authorities will never be completely independent from central government. Decentralisation will be a question of degree and type of autonomy. In this context it is of relevance to distinguish between local control over means and local control over goals. To illustrate this, the following classification table can be useful:

LOCAL CONTROL OVER GOALS

		high	low
LOCAL CONTROL OVER MEANS	high		
	low		

Local assemblies may have been assigned relatively wide powers to decide on goals. This power is, however, often restricted to a freedom to formulate priorities and planning proposals to be submitted to higher level authorities within the national planning system. It constitutes a right to participate in influencing the formulation of national goals more than a power to decide on the actual goals for local development. Local control over goals does not necessarily imply control over means. In many developing countries the local *control over means* is definitely low. The central government has tight control over finances, manpower and technical and managerial expertise.

Positive or negative autonomy

We can distinguish between positive and negative autonomy:

- * Autonomy in the «negative» sense means that the local community has an interest in «protecting» itself from central influence and «penetration». This is a defensive form of autonomy. It may be based on e.g. a felt need to protect local culture or local economy from outside pressure and influence.
- * Autonomy taken in the «positive» sense means that the problem confronting the local community is not so much its ability to cut itself off from the outside world and live its own life, as it is a question of capacity – or lack of capacity -to get access to the centre's resources and to influence its own situation and environment (Naustdalslid and Jerve 1993).

1.2.2 Changes in management efficiency

One of the most important arguments for decentralisation is that it can enhance and strengthen a country's management and administrative efficiency. Administrative effects that one wants to achieve by decentralisation is to:

- extend public services to rural areas, and improve administrative and managerial capacity;

- increase efficiency and effectiveness in government operations;
- enhance economic and social development programmes;
- reduce overload and congestion in channels of administration and communication;
- facilitate more effective integration of government programmes, and thus improve the technical capacity to deliver public services at local level; and
- improve opportunities for government accountability.

Decentralisation can facilitate or strengthen horizontal co-ordination among government agencies involved in planning and implementation of projects at the local level. To what extent, decentralisation endeavours will be successful, is, of course, dependent upon several factors: The institutions' legal and statutory provisions and legitimacy; commitment at central level to really devolve duties, responsibilities and income-generating activities; the institutions' authority and power-basis; assigned responsibilities and duties; available funds and manpower.

It is widely agreed that some form of decentralisation is necessary in order to improve public management, economic performance and income-distribution. However, decentralisation of economic management functions can also result in maintaining old-fashioned or historically-rooted public sector inefficiencies. Local governments or authorities can monopolize productive sectors and distort the terms for private sector participation and involvement.

The institutions established at the local level frequently have a poor organizational structure, and they are often not able to deal appropriately with the duties and responsibilities assigned to them. Sometimes the local authorities have to borrow a disproportionate share of available credit, and they often lack qualified staff, or have to employ excess staff with inappropriate qualifications (Silverman 1992).

Thus, transferring authority and power to the public sector at the local level does not *automatically* result in institutional strengthening that foster greater efficiency and equality.

1.2.3 Financial performance and economic efficiency

One commonly cited justifications for decentralisation, is that it will improve economic development, equity and income distribution. In a large number of developing countries there has been a lot of government involvement and intervention in economic activities and production of services. Generally, economic efficiency in these government enterprises has been very low.

The World Bank and other international donor agencies have demanded that the developing countries implement economic reform programmes (ERPs) in order to improve economic efficiency and financial performance. Two central assumptions have underpinned the demand for these macroeconomic reform programs: The public sector has been seriously oversized, and the private sector is, at the aggregate level, more efficient in the production of goods and the provision of services than is the public sector. (Silverman 1992:8) These observations also lead us to the very important assessment of what should be the proper size and scope of the public sector.

Economic reforms are intended to:

- i) Boost economic development and performance;
- ii) Improve the utilization of human and natural resources in a sustainable way;
- iii) Improve employment opportunities and income distribution;
- iv) Increase the government's efficiency and capacity to implement development projects successfully;
- v) Increase the support for initiatives taken by local people and institutions.

Decentralised political and administrative systems are considered to be a prerequisite for an efficient operation of market determined economic systems.

Local councils sometimes experience serious difficulties and are quite inefficient in their efforts to collect levy. The revenue basis is generally low – both centrally and locally, and resistance to taxes is widespread. The central government frequently fails to come up with the necessary funding for activities that the local authorities depend upon them to provide.

Decentralisation of functions and tasks to local author-

ities without securing the necessary funding is common. Financial decentralisation remains controversial and a highly political issue in most developing countries.

1.2.4 Self governance and responsiveness to local needs

Decentralised government tend to have better direct information and knowledge of the most severe issues and needs at local level, and should therefore be more able to come up with adequate and useful solutions. This may generate increased popular participation, and result in more realistic local plans, that will have better chances of being successfully implemented.

Through decentralisation, one hopes to be able to treat local public services in a more integrated framework of administration and planning. Such coordination can usually be achieved more easily when local public services are provided by local instead of by central authorities. It may seem rather obvious, that matters most closely related to local communities, like planning and implementation of projects regarding housing and basic infrastructure and services, should be the responsibility of decentralised bodies – these being regional, sub-regional or urban councils or authorities. This is also thought to ensure greater efficiency and accountability.

Decentralisation may also provide a better working environment for more immediate reactions to unanticipated problems, and increase flexibility and responsiveness in the management of development projects. Decisions can be made more quickly and without time-consuming consultations or reference to the centre. It can thus result in more effective economic planning and decision-making, improve implementation of development programmes, and improve monitoring.

Decentralisation of specific tasks to a sub-national level can generate negative effects by giving room for manoeuvre and decision to the local elite. In a very cen-

tralized regime, the primary motivation behind decentralisation strategies may be a wish to obtain «negative» autonomy. However, the actors can be motivated by quite different objectives, and the new elite at the local level may sometimes use their gained power for personal benefit rather than for the good of the general public. Privileges may be given to particular groups or persons, and monopoly situations may occur. The capacity and capability for monitoring and auditing of development projects are often poor, and non-optimal development strategies are frequently the result.

1.3 Sources of information and methods used

This paper is based on available documentation on decentralisation in a selected number of developing countries. Within the time frame available, only limited number of documents were selected. The documents covers mainly country experiences with political and administrative decentralisation in Africa, South Asia, Central and Latin America.

It should be said that most of the documentation received on Central and Latin America relate to fiscal decentralisation, which make the presentation of country experience somewhat unbalanced, as more emphasis is put on administrative and political aspects of decentralisation in South Asia and Sub-Saharan Africa.

It has not been the intention to give a representative presentation of decentralisation in the respective continent. the country cases are used as illustrations of various models of political, administrative and financial decentralisation.

No proper interviews have been carried out in developing countries or with donor organisation. However, the members of the team responsible for this paper have ex-tensive experience with decentralisation in developing countries through participation in relevant research projects or aid programmes.

2 Key concepts and framework used

2.1 Definition

Decentralisation refers to attempts to change the balance of power from the central government to local, or regional, or more generally subnational levels. This is done by transferring authority and responsibility outwards and downwards from the central government. Decentralisation thus relates to the institutional framework in a country, and to the role of, and the relationship between, central and local institutions – both public and private. It involves new functions and duties for regional staff outside the capital, for local government and public authorities. Decentralisation can take the form of transfers of power to govern, to tax, to plan and to implement projects from.

The reasoning behind, and the strategies referred to, when a country adopts a decentralisation policy, are mainly concerned with two broad categories, namely: political and administrative strategies for decentralisation. Recently much emphasis has also been given to financial decentralisation (Agarwala 1992, Chole 1994).

The term «decentralisation» has been used to describe a variety of institutional structures and arrangements. It is, however, common to distinguish between four major forms of decentralisation (Blair 1994):

- A. Deconcentration;
- B. Delegation;
- C. Devolution; and
- D. Economic deregulation.

None of these systems occurs in its pure form. Usually there is a combination of deconcentration (of ministerial staff) operating together with a devolved system (of local elected councils), with a slow but increasing economic deregulation taking place.

A. Deconcentration.

Deconcentration involves the transfer of selected functions «... within the central government hierarchy through the shifting of workload from central ministries to field officers, the creation of field agencies, or the shifting of responsibility to local administrative units that are part of the central government structure.» (Ron-

dinelli 1983:189) One way to conceive of deconcentrated institutional arrangements is to consider it as a kind of *Branch Office* system. At the local level, government operates in separate ministry offices, or line-agencies as it is referred to in some countries. In deconcentrated systems there is not much horizontal integration or coordination of work between the different sector ministries and agencies at the local level.

B. Delegation.

Delegation involves transfer of responsibility for maintaining or implementing sector duties to regional or functional development authorities, parastatals and other semi-autonomous government agencies, that often operate relatively independent of central government control. Delegation usually occurs in sectors that have a relatively sound income-generating basis, such as; energy production and supply; tele-communications, public transportation, etc.

C. Devolution.

Devolution involves the transfer of discretionary authority to legally constituted local governments, such as states, provinces, districts or municipalities. This is perhaps the most extreme – or extensive – form of decentralisation. In *devolved* systems, responsibilities for a wide range of operations, encompassing more than one sector, are assigned to local governments. An essential characteristic of this kind of *discretionary authority* is that the overseer role of central government is limited to ensuring that local governments operate within very broadly defined national policy guidelines. To the extent that local governments have discretionary authority, they can do essentially what they decide to do, bound only by the broad national policy guidelines; and their own financial, human, and material capability and capacity.

In devolved systems, project implementing agencies are responsible to provincial or local governments rather than to sector ministries. The management of projects may be integrated within the established structure of local government institutions, or autonomy may be granted to project-specific management units responsible to the local government.

A devolved government system hardly occurs in its pure form. Usually there is a combination of deconcentration and delegation operating together with the devolved system.

Two other dimensions of decentralisation strategies or models should be mentioned. These are: a) *top-down*; and b) *bottom-up planning and management approaches*. Within the context of the *top-down planning* model, local governments exercise responsibility *on behalf of* central governments. *Bottom-up* planning means that different levels of government or government parastatal agencies are supposed to act as agents of *lower levels of government* or directly as agents of *beneficiaries, users, or clients*.

D. *Economic decentralisation and self governance.*

An important aspect of the decentralisation that has taken place over the last 15–20 years, has been the drive to shift responsibilities for certain economic production and activities from the public sector to private or quasi-public organizations that are not part of the government structure. Central in this, are the efforts to de-regulate the central government's economic control, and promote strategies for private sector development or community participation and private-public partnership.

It is commonly agreed that good governance is not possible without proper self-governance. Self governance refers to a strategy where economic development and management are left more in the hands of, and become more accountable to, local population and institutions. This also implies a new division of labour between the public, private, and communal sectors at the local level. Simon (1994) refers to the term «subsidiarity» to describe the importance of self governance. The principle of subsidiarity implies that a task or problem shall be solved at local or regional level whenever this is possible. It should only be brought to higher level when this is necessary. Subsidiarity has both a

horizontal and vertical dimension. Horizontally, subsidiarity refers to: «a preference for private and community initiatives, including the informal economy, and strengthening of self-responsibility by a «deregulatory administration», which removes existing obstacles (regulations, monopolies).» (Simon p.4) This means that local and private initiatives should be supported by an administration that promotes efficiency. The local authority should be accountable to the citizens and include them as partners in its development efforts.

Vertically, subsidiarity refers to the assignment of tasks, access to resources, provision of income opportunities, autonomy and participation in decision-making to the actors at the grassroots level. In short, vertical subsidiarity constitutes: «... the replacement of inefficient centralism with local self-governance, promoted, and not controlled, by the national government.» (Simon:5)

The principle of subsidiarity permits the organization of a large policy system without complete internal uniformity or standardization. It is intended to accommodate for local needs and solutions, adaptations and strategies. An essential part of a system's organizational strength, is the fact, that it permits and promotes local autonomy and self-determined approaches to the solving of tasks.

Subsidiarity can also be an important element in considering the internal functioning and organization of multi-state systems, like the European Union. Questions related to local and self-determined approaches to problems and solutions of government have been central both among the EU member states, as well as in the countries that apply for EU-membership.

This paper will primarily deal with country experience with deconcentration and devolution, with main emphasis on devolution, as this involve both political and administrative decentralisation, and thus relate most closely and directly to PD&GG issues.

3 Review of experiences

In this section we will examine the experiences from decentralisation reforms in some developing countries in Asia, Africa and Central and Latin America. We attempt to summarize and synthesize the contextual and methodological experiences of decentralisation reforms in these countries, and identify political and methodological challenges for future work. A common feature of all the cases is that they have involved a decentralisation of both administrative and representative political institutions. In other words, they represent a mixture of deconcentration and devolution.

Our approach has been to focus primarily on country experience rather than donor experiences. We see decentralisation as a political issue which is rooted in the countries' own history and political life, and donor experiences are seen as subsidiary to country experiences. Donors can play a supporting role for national decentralisation exercises, and for that reason it is relevant to record and discuss donor experiences to render this support more relevant and efficient.

The descriptions are by no means complete, partly because of a lack of good sources, and partly because the reform process in some of the countries described below is still very recent and ongoing, making a more complete assessment of its consequences premature. The countries described are: Tanzania, Zambia, Uganda, Ghana, Ivory Coast, the Indian State of Karnataka, Bangladesh, Sri Lanka, and a more general presentation of decentralisation in Central and Latin American countries.

3.1 Sub-Saharan Africa

In most African countries the decentralisation of the 1970s meant a deconcentration of administration and strengthening of regional level of administration. With the strengthening of the one-party state, the deconcentration of the 70s led to centralisation of power, and a weakening of the local power base.

With the economic stagnation and crisis of the 70s and 80s, decentralisation was again promoted by both national governments and external donors. Locally elected councils have been reintroduced in any countries, but they remain seriously underfunded to take on all the

tasks that have been transferred to local government. The central government thus still remain overburdened, and the political influence and implementation capacity at local level remains low (Laley and Olowu 1990). In some countries decentralisation has been an integral part of the public sector reform programmes (Zambia), while the Civil Service Reform Programmes in some cases have been expanded to include decentralisation reform (Tanzania), or merged with an ongoing decentralisation reform (Uganda).

3.1.1 Tanzania

We may distinguish between three phases in the development of local government in independent Tanzania (Max 1991).

In the first phase, until 1972, there were elected organs at the local level (District and Town Councils). However, in the years after independence, local elected authorities gradually lost influence and capacity, as measured by reductions in tax revenues and declining motivation at the local level.

In the second phase (1972–1982), local elected bodies were abolished, and all local administration was taken over by the central state. In this system, local participation was to be secured through popular participation in the state controlled Development Committees, which were introduced as instruments of «development from below». However, in practice, these committees turned out to be a mechanism of control for the central government, with popular participation gradually going down and ever increasing bureaucratic control and deteriorating services. In this period, which was labelled «decentralisation», local taxation was abolished, and the regional administrative level was strengthened.

The third phase, which is the present system of government was introduced in 1982/84. In this system, council elections were reintroduced, and the tasks previously undertaken by the development committees were transferred to the District Councils. At the same time, the administrative apparatus which had developed at the regional level in the former period was preserved. This meant that, although District Councils now had formal responsibility for a number of policy areas, a large

proportion of the resources remained at the regional level. The autonomy of the Districts has therefore been more formal than real.

During 1996 the beginning of a fourth phase is about to be distinguished. The regional level of government was abolished this year, and plans were made for a local government reform to strengthen local government at the district level.

Until the one party system was abolished in 1992, the local administration was divided into three different hierarchies: (i) a centrally controlled state hierarchy, with local level field offices; (ii) a local level hierarchy, from District Councils to wards and villages; and (iii) a party hierarchy, with cells at all levels, including the village neighbourhood.

With the introduction of the multi-party system, the party hierarchy was formally abolished, thus separating the party from the state. However, as long as CCM stays in power and maintains its dominant position, this separation could be more apparent than real, since the party can remain in control of District Councils through the centrally controlled local state administration.

Tanzania's political system, including local governments, has been in a state of deep crisis (UNDP 1993, NORAD 1995). The crisis manifested itself in several ways:

Economic crisis Tanzania, like most African countries, faced a growing economic crisis during the 1980s. One consequence of this was that public finances were badly hit, as a result of both reduced export earnings and a shrinking domestic tax base. Among the consequences were deteriorating standard of government services and sharp declines in civil service salary levels. At the local level, Councils were unable to raise revenue through collection of local taxes, thus becoming even more dependent on grants from the crisis ridden central government.

Political and administrative decision making crisis: The existing planning system is inefficient, cumbersome and complicated, in spite of the heavy demands put on it. This is partly because of a lack of trained manpower, but it is also related to the fact that the division of labour between agencies and levels of government is unclear. In addition, there is a mismatch between resources and tasks. This is particularly so at the district level, where

local authorities have been given substantial responsibilities, but very little resources.

Legitimacy crisis: Public confidence in government institutions has fallen sharply. Service provision has been low and falling, and corruption thrives. Thus, people have felt that they get nothing in return for paying taxes, and they therefore seek to evade it. This has, in turn, added to the government's financial crisis, leading to further fall in service provision. Related to this is the lack of mechanisms of accountability. The lack of accounting personnel and qualified auditors, combined with a political system with little public insight into political and administrative priorities, has led to rampant corruption and abuse of funds. This, of course, is recognised by the public, whose trust in public institutions has been undermined.

Manpower crisis Related to several of the above problems is the lack of qualified manpower. The lack of accountants and auditors has already been mentioned. In addition, there is a shortage of engineers, teachers, medical staff, planners, among others.

In response to these crises in the political administrative system, the structural adjustment programme was expanded to include an ambitious public sector reform programme, consisting of three areas: (i) Civil service reform, (ii) Parastatal sector reform; and (iii) Financial sector / planning system reform. The Civil Service Reform Programme consists of six major elements (NORAD 1995):

- * organisation and efficiency reviews of ministries
- * pay reform
- * personnel control and management
- * administrative capacity building
- * retrenchment and redeployment of staff
- * local government reform

When the programme started, there were only five components. The sixth, local government reform, was added in the 1994 Action Plan, and it was for a long time by far the smallest, consisting of only US\$ 0.2 million, of a total of US \$ 26 million (1995). These 0.2 million were mainly budgeted for technical assistance for studies of the linkages between local government and the wider government system.

Thus, until 1996 very little has happened in terms of local government reform in Tanzania. In 1996 plans for

a local government reform programme was formulated, and an appraisal was undertaken for donor financing in February 1997 (NORAD 1997). Activities under the reform programme is expected to start in 1997.

The reform will face several challenges. The current situation is that local political authorities are very weak, with little economic resources. Their autonomy is also severely limited, both by other local level institutions, such as the local party and the deconcentrated state administration, and by higher level institutions at the regional and national levels. The most worrying aspect, in terms of the prospects for real local government reform, is that there seems to be a lack of substantial support for real political decentralisation from important political actors (the party, the bureaucracy).

As for the effects of the reform process, it is too early to say, as the activities are still to be implemented. However, a successful reform programme will require:

- i) economic development, to improve the basis for local government finances
- ii) favourable political conditions, with firm support for the reform process; and
- iii) an efficient and competent implementation unit for reform programme management

3.1.2 Zambia

At the time of independence in 1964, Zambia was divided into 8 provinces and 44 Districts, with decision making being highly centralised in Lusaka. During the following 15 years, the country's administrative system went through several reforms, none of which were considered successful. One of main problems during these years was the lack of integration and cooperation between different levels and institutions, such as the state administration, party organs and local elected councils.

The Local Administration Act of 1980 provided for the merger of party and government administrative organs at the district level into a common structure called the district council. Each council had a secretariat consisted of officials from the local state administration, local government officers and party officials. This reform was conceived as an attempt to strengthen central government control over local institutions. In practice, due to great reluctance from central ministries to deploy staff and transfer functions and resources, the reform

was never fully implemented. However, the party proved to be the chief beneficiary of the reform, thus retaining central political control.

In 1991, local political institutions were reintroduced, albeit not on a nation-wide basis. Instead, the responsible minister was given the authority to establish new District Councils on a case by case basis. The justification for this «phased approach» to decentralisation is that local management capacity has to be developed before decentralisation of services can take place. At the same time, this system of central approvals clearly places a limit on local political autonomy. The first local elections under the new system were held in 1992, giving the ruling party, MMD, a predominant position.

Under the new system, local governments, have fairly wide ranging formal responsibilities, which include housing, water supply, sanitation, roads, fire services and town and country planning. In addition, local authorities are empowered to appoint local officers and other employees. In practice, councils differ greatly in the range of functions they discharge (Tordoff and Young 1994). This reflects both variations in their financial and manpower resources and differences in legal status.

Local authorities in Zambia derive their income from the following sources:

- rent from council houses
- property rates
- license fees
- user's fees on services
- commercial ventures
- personal levy
- transfers from the central government

All Zambian local authorities are currently, in the words of : «in desperate financial straits» (Tordoff and Mukwena 1995:22). This is related both to the limited revenue actually collected at the local level, and to blockages in the downward flow of funds from the centre.

As a result of the limitations described above, Tordoff and Mukwena conclude that: «there does not appear to have been significant improvement in local government performance. Local government is still faced with the same staffing, financial and infrastructural difficulties that obtained previously, and they are no more able than they were....in performing essential functions» (Tordoff

and Mukwena 1995:37). They identify the following causes of these problems:

- * failure of the central government, and the Ministry of Local Government and Housing in particular, to provide guidance, support and information
- * lack of an employment and training policy in local government
- * delays in implementing the new policy
- * persistence of legal ambiguities
- * lack of a system for local government financing

Zambia is implementing a Public Sector Reform Programme (PSRP), where decentralisation is the third component (GoZ 1993). ODA/UK is supporting a decentralisation secretariat (LOGOSP – Local Government Support Project) in Zambia. ODA has put emphasis on proper monitoring and regular review missions during project implementation. In fact no decision has been taken yet to have an ex-post evaluation of the project. LOGOSP is also supporting the development of a system for local government performance appraisal. These appraisal systems will be utilized by the district staff in close collaboration with LOGOSP, and will be closely related to the training which will take place in the districts (LOGOSP, 1993).

Parallel to the district councils, a separate decentralisation exercise is being conducted by the Ministry of Health. Under this programme, Health Management Boards are created at all major hospitals and at the district level. The district health boards will be chaired by the district medical officer, and will have 5–10 members, drawn from a variety of professional and community backgrounds. Each district council is entitled to have 2–3 representatives on the boards. The functions of the boards include preparation of annual plans and budgets, and the management and operation of the district health service. The centre, however, retains control over general policy making. A tripartite donor review of the health sector reform was carried out in 1996.

The implementation of the health management reform programme has been delayed, the law governing the reform, the *National Health Service Act*, and the guidelines was issued last year. It is therefore too early to assess the results. DANIDA is providing support for the health sector, including funds and TA for the Health Reform Implementation Team.

Plans have now been made for a similar arrangement in the education sector. However, it is the stated policy of the ministry that these boards should be seen as temporary solutions, and that their responsibilities will be transferred to local authorities when their capacity improves.

There is also a number of provincial based Integrated Rural Development Programmes (IRDPs) and District Development Programmes (DDPs) in Zambia, funded by UK, the Netherlands, Denmark, Norway and Ireland. Evaluations and reviews from UK/ODA IRDP programmes provided much of the input into the LOGOSP programme. The other IRDPs and DDPs will be coordinated with LOGOSP, and provide complementary funds and support to institutions and capacity building at the district level.

3.1.3 *Uganda*

Government institutions in Uganda had to be reconstructed almost from scratch after the civil war. As a part of this reconstruction, the National Resistance Movement introduced an administrative reform programme in 1986. This system was based on Resistance Councils, operating at five levels, from the village to the District (DANIDA 1995b, Brett 1992).

These councils did not control the administration, but were seen as community development agencies, who could serve as watchdogs of officials. However, their power was very weak, and they had no control over budgets. They could complain about abuses, but they were unable to ensure that action was taken in response.

The District Administrator was the senior civil servant in the district. He was, appointed by the president, and expected to guarantee security and coordinate all public agencies in the district. Day to day administration was managed through the two parallel systems – the local administration under the control of the Resistance Councils, and the deconcentrated state administration.

Some services, such as primary education, health centres, local roads, were managed by the district administration. Their activities were supervised by the central ministry of local government, who were supposed to visit each district regularly, to check on financial management and the standard of services. The district administration was expected to be financed through local taxation.

The second system consisted of central ministries, which had local departments in each district. These were responsible for the implementation of centrally determined policies, and they were financed over the national budget. However, limited budgets meant that local departments were chronically starved of funds, and their capacity to provide services almost nonexistent. Both systems were independent of local politicians, and in a situation where discipline and resources had disappeared, they were able to ignore local needs and to engage in corrupt practices.

This system involved a series of parallel administrative and elective structures with overlapping responsibilities and contradictory sources of authority. There were no clear lines of authority, and no unified mechanics for overall control, coordination and planning. This meant that rational policy making focusing on local needs became impossible.

In 1990, a Task Force was set up to prepare a proposal for decentralisation. The main objectives of the Task Force's proposal, which was passed in 1992, was to devolve democratic power to local authorities and to rectify the confused structure of the local government system which had emerged since 1986.

Decentralisation was seen as a necessary element in such a reform programme, seeking to bring power closer to the people, to increase the range and authority of elected officials and to improve the efficiency and accountability of the administrative system. This agenda had widespread support, since it was seen as the only effective mechanism for ensuring that the state would never again be able to abuse its powers as it had done in the 1970s and early 80s.

In the new system, the country is divided into 39 Districts. Each district is then sub-divided into Counties, Sub-Counties, Parishes and Villages. The new system has involved a fundamental change in the institutional arrangements through which authority has been managed and services delivered (DANIDA 1995b). These changes include:

- * Transfer of decision-making authority from administrators (the District Administrator, central ministries) to elected District Councils.
- * Granting of autonomy to councils below the district level

- * Reform of the planning and decision-making process
- * Establishment of a Decentralisation Secretariat, funded by DANIDA, with responsibility for the organisation and coordination of the implementation of the reform programme.

The reform programme was to be implemented in stages, starting in 1993 with 13 Districts, continuing with another 14 in 1994 and the final 12 in 1995. As a part of the programme, a wide range of supportive activities are planned, such as training, production of information materials and financial management reform. All this is being supervised by the Decentralisation secretariat.

The only component which has been subject to a substantial review so far is the Decentralisation Secretariat. A DANIDA mission states: «The decentralisation secretariat has generally performed very well since it started in 1992. It has made major contributions to decentralisation policies and played an important role in their implementation.» (DANIDA 1995:1). Some results have also been achieved on the ground level, most notably in the field of local level financial management. However, it is also cautioned that the starting level in this area was extremely low, and that enormous improvements will be required. Still, the report is also relatively optimistic about the prospects of the other elements of the reform programme, although it realises that a «successful» outcome depends on a significant strengthening of the capacity of local government institutions in several areas.

3.1.4 Ghana

Like in Tanzania, the system of local government in Ghana has gone through several phases since independence (Crook, 1994). The system inherited at independence was a British style system of local government. However, this system had been the subject of intense conflict and substantial political manipulation during the 1950s and 60s.

In 1967, a government commission suggested that this system should be replaced by an integrated system headed by a chief executive, who was to be appointed by the central government. The chief executive was to be provided with the resources of a whole range of deconcentrated central ministries.

The dominant motive of this reform was to exclude local political conflict from local government institutions, and to encourage «rational» management, planning and development. This meant fewer and larger units, which were to be administered by centrally appointed bureaucrats. The main components of this proposal were implemented in the period from 1971 to 1974.

The present system of government in Ghana was created in 1989, with the approval of the Local Government Act (Naustdalslid 1992, World Bank 1993). The 1989 Act divided the country into 10 regions and 110 districts. It also reintroduced democratic institutions at the local level, making the elected District Assemblies the highest body at the district level. This system succeeded the previous 65 deconcentrated and centrally controlled district councils, which had been in operation since the mid 1970s.

Formal political authority in the districts is vested in the district assembly, which is responsible for development planning and a wide range of other government services. Membership in the assembly is determined partly through local elections in single party constituencies and partly through appointment by the central government. The assembly consists of the following categories of members:

- * The district secretary (appointed by the central government), who heads the district administration
- * Locally elected members (two-thirds of the total number of members)
- * Members appointed by the central government (one third)

The executive functions of the assembly are the responsibility of the Executive Committee, headed by the district secretary, and consisting of one third of the members of the assembly. The executive committee works through five statutory sub-committees (Economic Development Subcommittee, Social Services Sub-committees, Technical infrastructure sub-committee, Justice and Security subcommittee and Finance and Administration Sub-committee). The members of the sub-committees are elected from the District Assembly.

Parallel to the political bodies of the districts are the administrative institutions:

- * The District Administration is headed by the Dis-

trict Administrative Officer, who is the top civil servant in the district. He is also the secretary to the district assembly.

- * The development, budget and planning unit shall give advice and expertise to the executive committee in its planning and budgeting functions.
- * The districts are also obliged to establish sector administrations for 22 sectors, corresponding to 22 line departments

The districts combine the old-style prefectorial system, headed by government appointed district secretaries and Accordingly, the Ghanaian Civil Service has three levels. (National, regional and district). The main institution at the district level is the District Assembly. The assembly also has a secretariat, led by the District Administration Officer. In addition, there are 22 line ministries represented at the district level.

Coming seven years after the Rawlings revolution in 1981, the 1989 reform was intended to satisfy three policy aims (Crook 1994).

First, as a part of the structural adjustment programme, Ghana, like Tanzania, was committed to a civil service reform programme. In this context, deconcentration of ministry functions was intended to improve the effectiveness of administration through the transfer of resources to the local level.

Second, Rawlings' commitment to popular democracy led him to endorse direct democracy, popular participation and local self reliance. Introducing representative institutions at the local level could be seen as an outcome of this commitment. In other words, the civil service reform programme, including the local government reform, was considered an instrument to improve the popular legitimacy of the government.

Third, local government was to be combined with «the revolutionary system of government», built around local party committees, the so-called Committees for the Defence of the Revolution (CDRs).

Thus, the 1989 reform embodied an array of competing principles – representative democracy, grass-root populism, CDR-managed democratic centralism and deconcentrated development planning. It is no surprise, then, that these competing principles resulted in a half-hearted implementation of the decentralisation system. In his assessment of the performance of the District

Assemblies, Richard Crook points to the following factors:

First, the joint implementation of the structural adjustment programme and civil service reforms has led to a strong emphasis on cutting government expenditures. This, in turn, has left local institutions with insufficient funds to handle their new responsibilities. As a consequence of staff retrenchment and crisis in salary payments, service provision has declined. It appears that decentralisation was considered a cost-saving measure, while in fact it requires considerable extra resources to set up properly.

Second, the continued political importance of the de-concentrated state administration, together with the CDRs, has meant that local political institutions have remained rather weak. This is seen particularly clearly in the case of the District Secretary. Although the law states that the District Assembly is the highest authority in the District, and responsible for the oversight of the administration (including the District Secretary), the assembly's real power vis-a-vis the Secretary was limited. The secretary is both head of the district's executive committee and the highest civil servant in the district. In addition, he is the representative of the party (PDRC). In this capacity, he was also the head of the party's local «revolutionary organs», the CDRs.

It has therefore proved difficult for the assembly to avoid being dominated by the secretary. Since he was centrally appointed, it was also impossible to remove him. Thus the actual autonomy of the District Assembly has been limited, and they continued to operate within a structure of central political, financial and administrative controls.

The lesson to be drawn from this is that local, democratic autonomy cannot work properly unless the government is willing to allow local elected authorities some genuine autonomy in the management of resources. In the Ghanaian case, this would require (i) that the party structure is separated from the state, and (ii) that the position of the District Assembly is strengthened.

Third, the introduction of local elections in Ghana did achieve some success in political terms. Ghana has a long history of political mobilisation, and a lively, politically vibrant civil society. Not surprisingly, popular enthusiasm for the assemblies when they were introduced was high, and the elected councillors were for the

most part considered genuinely representative of their communities.

However, for this very reason, expectations were aroused which could not possibly be filled, given the resources available to the assemblies and the numerous constraints they were facing. Assembly members were pressured from two sides. They were under pressure to collect local taxes, yet at the same time, their constituents expected that the local community would get something in return for paying taxes. However, because of the lack of resources and the pressures from other actors in the system, there were few, if any tangible returns to the community. As a result, local tax collection dropped, and popular enthusiasm waned. By 1992, many of the assembly members had become demoralised.

Thus, Ghana's experiment with decentralisation has been a mixed experience. It has not led to any significant improvement in government capacity. But at least initially, political participation increased, and the legitimacy of the state (at least at the local level) appeared to be improving. However, as a result of the lack of resources, insufficient local political autonomy and lack of support from other important actors, these achievements could not be sustained.

3.1.5 Ivory Coast

From the 1950s until 1980, local government in Ivory Coast was virtually non-existent. Only eight municipal councils existed, and even these mainly on paper: councillors died in office and were not replaced. No local elections were held between 1956 and 1980, and state institutions at the local level were for all practical purposes under total central control. In the same period, the colonial prefectorial system of territorial administration was expanded and strengthened, making the country one of the most centralised in Africa.

However, in 1980, a reform process was started, with the introduction of competitive elections within the one party system, at both central and local levels. At the same time a new policy of «communalization» was announced, and new municipal authorities were created all over the country. According to the government, the long term objective is to divide the whole territory into communes. But given the tradition of centralised government, and the lack of experience in local government, it is argued by the government that the process has to be cautious and gradual (Crook and Manor 1992).

The reform process started in 1980 was not a radical one. Rather, it could be described as a limited devolution to a single tier of local government bodies, with the new communes operating within the framework of the existing prefectorial system. The new local council has very limited powers. It meets to vote on the budget of the commune, and to exercise «general regulation», but its decisions are subject to the approval of the Ministry of the Interior, and can be overruled if disapproved. In addition, the whole council can be dissolved by the council of Ministers. This sanction has not yet been used, however.

The members of the council are elected on a competitive basis, within the framework of the one-party system. The lists between which the electorate can choose are put together by the candidates running for the position as mayor. These candidates are normally powerful political entrepreneurs, who are able to create strong bonds of dependence between themselves and «their» councillors. Councillors, therefore, tend to feel accountable to the mayor rather than to the electorate (Crook and Manor 1992).

Communes are supposed to derive their income from a variety of sources: personal and business taxes collected by the state and remitted to the area of collection, service charges on markets, transport, construction license etc., land and inheritance taxes and state grants. However, grants from the central government form the main source of income for most communes. The only exception is the Abidjan area communes, who derive only a small percentage of their income from state grants.

Experience in the years since the reform process was started shows that there are major problems to overcome in the Ivorian system of local government: At the political level, three main problems can be pointed out.

First, the role of the mayors has made the communes an instrument of domination for local elites. This is reflected in the social background of mayors country-wide. Almost all mayors belong to elite groups, such as civil servants, local businessmen, engineers, teachers and professors. In addition, many of them do not even live in the districts where they are elected. Not surprisingly, these mayors have been accused of ignoring both the elected councils and the local population.

Second, the level of political mobilisation and participation has been low. Turn-out rates at elections have been

low, here is a lack of interest in council meetings, and little willingness to pay taxes. Both the lack of real decentralisation and the long traditions of centralised rule through the prefectorial system have been invoked to explain this apathy.

Third, the elected councils have remained in a weak position vis-a-vis the administration. Both the deconcentrated state administration and the line ministries view the local elected councils with deep suspicion. In a situation where the administration has retained important areas of responsibility, while the councils have limited authority and lack of resources, this has meant that the present system to a large extent has been more like the old technocratic system than like a genuine local democracy.

At the administrative level, there have been problems of institutional conflict and bureaucratic coordination. The continued presence of the powerful and prestigious prefectorial system, exercising the authority of the Ministry of the Interior, remains an unresolved issue. The government has stated that it aims to have all districts administered under the commune, with the prefectorial system given only an advisory role. Not surprisingly, this prospect is not welcomed by the prefectorial service, who – rightly – sees this as a threat to their authority.

At the same time, central ministries, (particularly the Ministry of Finance) have strong proponents of decentralisation, seeing it as a way of reducing the financial burden on the central government. By moving the financial responsibility for rural development to the districts, it is hoped that substantial savings could be made. This kind of «decentralisation of costs» is not in the interest of local Councils, though, since it would mean that they would lose the bulk of their income if central government grants are removed.

Parallel to the decentralisation process, a programme of deconcentration of ministries was carried out. Although the justification for this reform was the same as for the introduction of local council – to bring the administration closer to the people – its effect has been the opposite. Since these central government field offices were outside the authority of the district councils, their strengthening has undermined rather than supported the authority of District Councils.

3.2 South Asia

3.2.1 India – the State of Karnataka

India has a federal political system, with wide ranging powers delegated to the state governments. Among the responsibilities of the states is the organisation of government institutions at the sub-state level. Consequently, the structure of local government varies greatly between different states, making a general assessment of the Indian system impossible. We will therefore limit our description to one state, where a particularly interesting local government reform programme has been tried out over the last few years.

In 1985, the government of the state of Karnataka, in the south-western part of India, introduced a new system of local government, which has been described as «one of the most radical in the entire third world» (Crook and Manor 1992). The new system involved a substantial decentralisation of powers and resources from the state level to the districts. At the same time, it sought to increase political control over the administration, by strengthening the position of elected councillors vis-à-vis the administration.

The core institutions in the new systems are the District Councils. There are 19 District Councils, one for each of the state's districts. Council members are elected from constituencies with an average population of 28,000. Council members elect a Council President and a Vice President, who are the executive heads of the Council. They are also the heads of the district level administration, including the deconcentrated state administration. Thus, substantial administrative resources have been placed under the control of the Councils

The District Councils have been given wide-ranging responsibilities. Among the areas under the control of the Councils are the following: public works, irrigation, agriculture, rural development, primary and secondary education, health, rural employment programmes and housing.

District Councils have no power to collect taxes. However, they can raise resources by making public investments and by borrowing. Still, they remain totally dependent on financial allocations from the state government. Such transfers have been quite substantial, and although there is still a demand for more resources (as there always will be), the lack of funds has not, it appears, undermined the reform process.

According to Crook and Manor, the new system has had two main benefits:

- i) Popular political participation has increased after decentralisation. This applies to a whole variety of forms of participation, such as voting, active participation in electoral campaigns, membership in organisations, contacting local politicians and taking part in meetings.
- ii) The responsiveness of government institutions has also been enhanced. This applies both to the administration's responsiveness to politicians and to politicians' responsiveness to voters. The most marked improvement has been in politicians' responsiveness to the population. Crook and Manor see this as the increased flow of information, as a consequence of the decentralisation reform. Information flows has increased in both directions; from the population to government institutions, and vice versa.

However, the reform has not been an unqualified success. Crook and Manor point out three problem areas: (i) opposition among higher level politicians and administrators; (ii) insufficient local government autonomy; and (iii) distributional consequences of the reform. These will be described in turn:

- i) Civil servants and legislators on the state level have been accused of taking decisions on subjects that belong to District Councils, and of imposing their preferred policies by financial and administrative controls. Also, many senior bureaucrats consider it beneath their status to serve local governments and to work under the authority of local politicians.
- ii) Although the formal responsibilities of the District Councils were substantial, their autonomy in developing independent policies in these areas has been limited by the state government's tendency of pre-planning and earmarking, thus reducing the Districts to mere implementing agencies of policies determined elsewhere. This is related to insufficient capacity and competence in planning, budgeting and the like at the District level, but it is also an indication of higher level resistance to the reform.
- iii) A notable feature of the Karnataka District Councils is that they have been dominated by representatives of local elite groups, such as landowners. This has been the case despite the ex-

istence of special quotas for disadvantaged groups. In Karnataka, socially disadvantaged groups have had considerable political influence at the state level. Thus, the position of weaker groups may have been weakened by the reform, since power has been moved from a level where they have some influence (the state level) to a level where they have far less.

3.2.2 *Bangladesh*

Bangladesh has implemented several decentralisation 'packages' during the last decades. One of the major decentralisation schemes was the *upazila* system, introduced in 1983. Independent analysts do not consider these reforms to have been very successful. Ingham & Kalam write that there have been few grounds for optimism about the outcome of decentralisation policies in Bangladesh. Fieldwork carried out in three different districts revealed widespread dissatisfaction with decentralisation measures in the rural population.

A survey revealed that government officials, elected representatives, and persons of the local elites responded positively to the *idea* of the *upazila* local government system. However, there was a lot of frustration and dissatisfaction regarding how the *upazila* administration was functioning and operating. The *upazila* institutions and officers usually just had to respond to decisions and initiatives taken at the central level. The central government rarely consulted – or invited suggestions from – the *upazila* level, and the centrally made decisions usually just had to be accepted. Even though direct central control had been formally reduced, indirect influence in different ways jeopardized the decentralised authority and functioning of the local administration. Conflicts, lack of co-operation and corrupt practices in development operations have also been major problems. «Many respondents described the *upazila* administration in terms of undemocratic organization and weak accountability.» (Ingham and Kalam 1992:381.)

The *upazila* chairmen seem to have been considered largely unaccountable to the people. Use of their powers to gain material benefits and social prestige for themselves rather than benefiting the poor, appears to have been widespread. (Khan 1987, Rahman 1986). The central government has been accused of «having shown only a marginal commitment to power sharing and of having distorted and manipulated decentralised institu-

tions, in order to build up a political power base in rural areas» (Ingham and Kalam 1992:379). This is confirmed in another study of the performance of local government and NGOs in selected regions, which concluded that the system did not function properly (Alam, Huque and Westergård 1994). The system had a high degree of central control, with little political will to implement the reform.

Regarding the situation of the poorest groups, whom the decentralisation is aiming to help and improve, a survey revealed that the majority of respondents had no detailed knowledge of the *upazila* administration. Very few had attended meetings, and there was little access to information. (Ingham and Kalam 1992). The *upazila* was mostly apparent *visibly* – with buildings, offices and staff, and not much of a reality regarding decision-making and real influence at the local level. The goal of increasing public participation and strengthening the democracy through decentralisation, can thus not be said to have been achieved through the government reforms in Bangladesh.

3.2.3 *Sri Lanka*

Currently (1996) there are four layers of government in Sri Lanka. The lowest level is the Divisions level with elected councils (Pradeshiya Sabhas) in the rural areas, and similar councils in urban areas (urban and municipal councils). Above the Divisions, there are Districts and Provinces usually made up of 3–4 districts.

The Districts were for a long time the most important sub-national level of government, acting as a deconcentrated level in a unitary centralised state system. The Districts are now to be removed as a main sub-national administrative level, and this development might have important implications for the IRDPs, which have traditionally been based at District level. There are Integrated Rural Development Programmes (IRDPs) in all the districts, except those where there is open armed conflicts. Many of these programmes were established decades ago, and have served a training ground for local capacity building, service delivery, and infrastructural development (Moore et. al. 1995).

The Provinces are now the main sub-national level for managing financial and administrative matters, and there are elected provincial councils.

In the post-colonial period the political-institutional development in Sri Lanka was towards a centralisation of state power, with a concentration of juridical and institutional powers. This had the consequences of a gradual marginalisation and exclusion of the Tamil population from access to power.

The current debate on devolution and legislative changes towards devolution is intimately linked to the ethnic question and to finding a lasting solution to governance in a multiethnic society and to the armed conflict (Uyangoda 1994).

Significant changes have taken place in local government and administration in Sri Lanka over the last two decades. These changes have been generated by broader social, political and institutional changes in the country. And the recent devolution during the last ten years have in large parts been initiated as a response to the ethnic conflict to accommodate the open armed conflict, and offer an alternative to the Tamil demand for a separate state.

In recent times three major changes have taken place:

- (i) One of the most fundamental and important changes is the devolution of political and administrative powers from the central to the provincial level. In 1988 Provincial Councils were established under the authority of a Chief Minister to carry out policy formulation, development planning, and financial management at the Provincial level. The effects of this has been:
 - increased ambiguities in lines of responsibility through introducing a new level of administrative and political decision making; and
 - uncertainty about the relative divisions of responsibility between the provincial and central governments (Moore 1995).

The devolution of powers to the provincial level also proved to be slow and erratic, and there was until 1995 still few funds available at this level.

The central government has maintained control over several key functions or areas of responsibility, such as highways and major irrigation. Work linked to these areas is done directly by the government's line agencies (Departments, Boards and Author-

ities), which have branch offices in the provinces or the districts.

- (ii) In 1992 a new reform introduced Divisional Secretariats as an additional administrative unit, with *dual* duty to coordinate tasks initiated both by the central government and the Provincial Councils.

The argument for these decentralisation reforms has been to provide local people with a better opportunity to participate in local level planning and development activities. Below the province and district levels, Local Councils (Pradeshiya Sabhas) have been set up in connection with the Divisional Secretariats.

- (iii) In August 1995 the government put forward a «devolution package» (ICES 1996), to devolve further powers to the provincial level in a move towards making Sri Lanka a «union of regions». The latest devolution package is however no formal reform with a new legislation. It is more seen as a position paper of the government, and it is still an open question how the new policies will be put into practice.

There is traditionally strong opposition to devolution among the Sinhalese opposition. The Tamil groups are themselves deeply divided on the view of devolution. (Uyangoda 1994). Also the marxist-leninist political groups have rejected the idea of devolution as they see it as a policy that supports ethnic assertion and politics. This is viewed as a «communalist» project (communalist being a negative label on non-progressive politics), as opposed to a progressive unitary state with universal citizenship.

The Sri Lanka decentralised political system is quite ambitious and complex, and its implementation has not been without problems. First of all, there has been considerable confusion regarding the devolution and decentralisation process both among ordinary citizens as well as public officers. This has been linked partly to the transformation procedure itself, and the difficulties of getting people settled into new offices and positions.

Moreover, the instructions and regulations regarding issues such as lines of command; authority; responsibilities; etc. have been unclear.

There has also been considerable bewilderment regard-

ing the ownership of, rights to use, and obligations to maintain, various public assets. For example, minor irrigation tanks and assets are supposed to be the property of the Divisional Secretaries, while C- and D-class roads come under the authority of the Provincial Council. Some assets also come under inter-Divisional ownership. Comparatively large assets, and the assets of institutions with undeveloped functions are under the responsibility of the central government and the respective line agencies. This lack of clarity in responsibilities and authority has clearly reduced the efficiency of the local institutions (Dale 1992).

3.3 Central and Latin America

Recently there has been a revival of decentralisation and local government in Central and Latin America. Local government in Latin America until recently has remained a neglected area of study (Nickson 1995), and much of the current literature on decentralisation is related to programmes and interventions to improve economic decentralisation and the efficiency of local service delivery.

The countries in Latin America has a long history of centralised government. During the 1960s and 70s the local governments were considerable reduced and weakened. One actually could talk about a 'demunicipalisation' (Nickson 1995:16).

After a serious crises in local government in the 1970s, one have witnessed a rapid growth in the political and economic importance of local government during the last decade, due to both external and internal factors:

- i) the crisis of political legitimacy in the Latin American countries;
- ii) the fiscal crises of the state;
- iii) influence from the rest of the world, where decentralisation and strengthened local government were being discussed and implemented at various speed; and
- iv) interest and pressure from international aid assistance.

The internal factors were the most important, but the external factors supported this developments towards devolution.

The severe crises of legitimacy that the state faced in several countries in Latin America initiated a «reeval-

uation of the traditional Latin American conceptualization of democracy» (Nickson 1995:20). A strategy of devolution was proposed to break the divide between the state and the civil society, to bring the state closer to the people, and increase popular participation to improve the legitimacy. The devolution debate in Latin America is therefore strongly influenced by the question of participatory democracy, rather than pure representative democracy, and the relationship between the state and civil society.

Although the support for the idea of devolution initially was strongest among the center-left coalition, adherence to devolution today has support from all parts of political life. This is partly related to devolution as the response to the fiscal crises of the state.

The fiscal crises of the state had serious implications for the service delivery at the local level. This happened as the same time as there was a strong urbanisation and growth in urban population demanding a broad spectre of services. Devolution and financial decentralisation was seen as leading to :

- i) allocative efficiency, because local governments were better informed about local conditions;
- ii) efficiency through lower per unit costs from using locally available resources and input;
- iii) equity could be retained through local government's ability to identify target population; and
- iv) effectiveness could be improved through local governments cooperation with NGOs and local community organisations.

Devolution as response to both the problems of legitimacy and financial crises created a coalition for decentralisation with support from all political factions (Nickson 1995:24):

- the neoliberals, viewed decentralisation as part of a strategy to reduce the role of the (central) state and reduction of the public sector;
- the radical reformers saw decentralisation as strategy to reduce inequality, and improve political participation and social mobilisation; and
- the technocrats, the bureaucracy and the public sector, saw it as a way to improve overall service delivery. The international aid assistance system, with the World Bank and the Inter American Development Bank (IDB) came forward with financial support for the decentralisation.

Rapid urbanisation and crises in the urban service delivery was a strong factor supporting the change towards decentralisation. The World Bank funded several programmes to improve municipal institutional capacity building, by supporting the Latin American Centre for Training and Development of Local Government in Quito, and through funds to Latin American municipalities from the global Urban Management Programme. This programme aims at strengthening municipal planning and implementation capacity for infrastructure development and service delivery, and is jointly funded and managed by the World Bank, UN Development Programme (UNDP) and UN Centre for Human Settlement (HABITAT).

Thus, during the last decade most of the countries in the region have pursued a policy of decentralisation to lower political levels (Winkler 1994, Murphy 1995, Wiesner 1994). However, there is still considerable reluctance to surrender political and fiscal power to local political structures (Bidus 1995), and there are significant variations in national systems for financing local government, in the midst of economic crises in many of the countries (NACLA 1995).

Most countries have undergone macroeconomic reform programmes with restructuring of the public sector as the most salient feature. The movement towards decentralisation seems clear in most countries, but each country has shown unique experience both regarding the instruments used and the pace of change.

The countries reviewed have developed their own model of decentralisation, varying from (i) the centralised structure of Chile with central control by the state over the municipalities, (ii) the federal governance structure in countries like Argentina, Brazil and Venezuela, to (iii) the increased independence of municipalities in Honduras.

In Central America the locally elected leaders have, through national and regional municipal associations like the Federacion de Municipios del Istmo Centroamericano (FEMICA), efficiently brought the issue of decentralisation and municipal autonomy to the national political agenda (Bidus 1995).

Many of the reforms are linked to peace and reconciliation processes, and since many of the reforms have only been enacted some two to five years ago, no conclusive assessment of the benefits of these changes can

be made. However, there seems to be a clear vision among the municipal organisations in Central America that they have an important role to play both in the local and national development effort.

By 1996 all Central American municipalities will directly elect their mayors. While the political and not least fiscal autonomy is high on the Central American agenda, fiscal transfers play a critical role in the decentralisation drive in South America; in some countries transfers amount to more than double the locally generated tax revenue.

However, little is known empirically about the effects of transfers on the transparency of the local political process, and on governance in general, and whether the end result will be a «simple fiscal decentralisation model» or a «developmental decentralisation strategy» (Wiesner 1994).

Local revenue generation has historically been low in Latin America. The current financial decentralisation include enhanced financial transfers from central to local government, rather than increase in local revenue generation (Winkler 1994). Taking the municipalities share of total government spending as an indicator of the importance of the provincial and municipal governments as provider for public services, and the share and evolution of local government's own source revenues as an indication of their fiscal autonomy, we can get an approximation to the degree of fiscal decentralisation in some Latin American countries.

The national tax revenue in Chile declined in relative terms in the period from 1980–92 from 95.6 percent to 93.3 percent while the revenue of the subnational level grew from 4.4 percent to 6.9 percent during the same period. After the adoption of the new «Popular Participation Law» in Bolivia, the rural municipalities now control over 20 percent of the national budget.

It is however necessary to look further into the how the inter-governmental tax revenue and expenditure is shared by the different levels of government, to be able to tell more about the effects on resource allocation efficiency, distributional outcomes and the degree of local autonomy over local expenditure compared with transfers.

In Latin American countries there is a general trend for the national share of expenditure to decline and sub-

national shares of expenditure to increase. Transfers tend to grow steadily, reducing the subnational share of expenditure financed by their own tax resources. The political implication seems to be «if local jurisdictions are able to export taxes and enjoy largely unconditional transfers, how could local accountability, public sector management and efficiency and equity objectives be more attainable through fiscal decentralisation» (Wiesner 1994). In 1991 the municipalities in Brazil were only financing 29 percent of their expenditure from locally generated taxes, while in Chile there was a decline from 76 percent in 1970 to 60 percent in 1992 (Murphy 1995).

The fastest growth of expenditure is at the municipal level, and if the trend continues, municipal expenditure will exceed that of the middle level (region, federal states). It seems that in most cases there has been a political decision to enhance revenue transfers, before analysis and decisions are taken on which functions to decentralise and what local institutional capacity should be build. This raises the classical problem with transfers; they weaken the principle of correspondence between revenue generation and service delivery, with the possible undermining of local tax efforts.

The transfer of revenue from the state to the municipalities have increased considerably and the main bulk of this increase has been in the health and educational sector. Since 1979 the Municipal Common Fund has redistributed resources between municipalities on the basis of relative poverty indicators.

There is thus a relatively weak correspondence between local revenue generation and local activities. This might reduce the total revenue of the state since it has discouraged municipalities from raising their own revenues, as experienced in Guatemala (Bidus 1995). More than 41 percent of all municipal revenues in Central America are currently in the budgets of the five capital cities while the remaining 1.100 municipalities control the remaining 59 percent (Wiesner 1994). The redistribution process has significantly reduced poverty in the most deprived areas. In El Salvador the close correspondence between locally raised revenue and local project planning has shown that municipal projects on average cost 45 percent less than centrally funded and implemented projects.

In comparison Honduras has been seen as leading the way in the region in terms of devolution of power,

authority and resources to the local level. The 1990 Municipal Law and the electoral reforms have given the citizens greater local control and the possibility of participating in local affairs. Honduran Municipal Association has been central in the reform process, leading to strengthening of local autonomy.

Studies of Central American countries have shown that citizens would both argue that the local government should have more responsibility and resources, and that they are more skilled at resolving community problems than the central government (Bidus 1995). Donor initiated programmes devoted to supplying credit to infrastructure projects promoted by municipalities on the basis of matching funds, such as the Municipal Infrastructure Finance Program designed by USAID, has shown itself to be an important confidence building supplement to government transfers. The Municipalities have taken on a more progressive political role in some of the Central American states (NACLA 1995).

A study of decentralisation in Colombia and donor conclude that the traditional supply driven donor support programmes for capacity building at local government level have a poor track record (World Bank 1994). They argue that «sustainable development at local level is possible only when there is effective demand by local administrations and communities». The report argues for a demand driven approach, where technical assistance should follow local demand, tailored to local needs, and where information between municipalities on best practices should be promoted. This should promote local leadership which will work for locally innovative solutions, including improved community participation, for example user involvement in service delivery boards.

Similar positive results have observed from support provided by USAID during the two last decades for the Peruvian government's decentralisation efforts through IRDPs; disaster relief; rehabilitation and reconstruction (DRR) projects and programme development and support (PD&S) funded activities. The project focused on the situation of the individual farmer and utilized private contractors for a lot of the work. This reinforcement of the private sector was an essential part of the projects. The projects helped the local institutions develop planning and implementation capabilities that were more flexible, efficient and responsive to local needs (Schmidt 1988, 1989).

In Nicaragua a number of bilateral and multilateral donors are supporting the public sector and decentralisation reform. Decentralisation is a key component of the Nicaraguan Government's Policy Framework Paper (1994–97), and of the public sector reform. DANIDA is supporting local government capacity building in both:

- i) project planning and implementation; and
- ii) administrative and planning capacities more generally.

A recent review shows that the project has achieved best result in the former area, while it has been more difficult to achieve more general administrative and

planning capacity (DANIDA 1995a). Decentralisation in Nicaragua has achieved considerable results, given the short time frame of the experience. However, there is a number of problems confronting local government strengthening:

- i) there is a lack of data and information on local government financing;
- ii) there is a number of funds available for projects at local level, each with their own rules and procedures, creating considerable confusion at the local level; and
- iii) there is a lack of communication between central agencies involved in decentralisation, creating difficulties for local level decisions.

4 Conclusions and lessons learned

4.1 Transfer of political power – impacts on governance

One of the general lessons that can be drawn from the assessment of the decentralisation reforms, is that there is considerable ambiguity in the willingness to transfer real political power and influence from the central government. Even when legal powers, functions and tasks have been allocated, adequate personnel and financial resources are commonly not provided. Thus an assessment of the current situation might be as much about the impact of a failed and muted decentralisation, as of the impact of decentralisation.

It is important to bear in mind that successful decentralisation is to a large extent dependent upon a community which acts independently of the central state. Dialogue is crucial, and a democratic system open to criticism will have the best chances of succeeding. The paradox is that only strong governments are likely to be in a position to allow open discussion and opposition as part of its participatory structure, and the developing countries often tend to have a rather weak political basis.

A different pattern seems to have emerged during the last decade in Latin and Central America, where pressure has been generated at the local level for decentralisation and improved local political authority after the fall of the authoritarian regimes.

In many of the developing countries local councils have failed to establish themselves as credible institutions for articulation of local interests. People often tend to consider them more as local agents for state power than as institutions representing local interests. The lack of legitimacy often expresses itself in low political activity and public participation at the local level.

In some countries, national political leaders have used decentralisation schemes to try to escape responsibility for the delivery of services by shifting the blame for poor performance to local authorities. «In countries as disparate as Zambia and Guatemala, central governments are responding to citizen complaints by shifting responsibilities to local governments; «don't complain to us; complain to your responsible local governments.»» (Silverman 1992:6)

Even though responsiveness to local needs and demands have been referred to as major objectives of decentralisation reforms, many have not been successful in this respect. Service provision remains weak and poverty persists. This is due to several reasons:

- In practice, the transfer of real power to local authorities has often been more rhetorical than real;
- Control over funds and personnel at the local level is generally quite limited;
- The capacity of local administrative institutions is low;
- The coordination of planning and implementation of development projects is inadequate.

Devolution of functions and tasks to locally elected councils without enabling them to have sufficient resources through appropriate financial decentralisation, has clearly had a negative impact on governance. Again Central and Latin America shows a different picture where increased financial resources has enabled the local council to carry out government services more efficiently, and where governance has improved.

The general lack of real delegation or devolution of powers is partly rooted in a number of weaknesses of local governments and problems at the sub-national level. When designing and carrying out schemes for decentralisation, there is always a danger that conflicts along ethnic or religious lines – or along other differentiation mechanisms – can emerge. This is especially the case when mobilization along such lines have been accepted or allowed to develop. In particular, conflicts may arise when this is also linked to control over scarce resources, employment opportunities, incomes, etc.

4.2 Division of roles between central and local governments – impact on delivery of government services

Most countries, developed and developing, have dual systems of local government, with a local government system of local authorities, and a deconcentrated staff from the ministries. It is often a tension between these levels of decentralisation. Even though there are good reasons to acknowledge the rationality of the dual, or mixed, system of decentralised government, it is also

important to point out some dilemmas related to this kind of decentralisation arrangement. Some of the reasons why these dual systems have problems operating efficiently are:

- i) The dual system is often not clear regarding what should be handled centrally, and what should be dealt with at local level.
- ii) Elected representatives at local level are frequently overruled by government officials, who in practice have more (financial) and positional power. Technical expertise sometimes also gives superior prestige.
- iii) The intended horizontal co-ordination among central government's line agencies often do not materialize at local level. The systems are characterized by transformation and change, which cause a lot of confusion and insecurity. The officers are often unsure about their own, as well as their departments' future position and situation, and they tend to battle for resources and guard their individual departments' interests vis-a-vis the others instead of promoting cooperation.
- iv) The central government's officials may have a tendency to be more concerned with long-term economic projects, while local representatives and the people are more interested in short-term social issues and programmes.

Decentralisation reforms in Asia, Africa and Latin America have improved horizontal co-ordination at the district in countries such as Sri Lanka and Peru, while this has not been the case in most of the countries in Sub-Saharan Africa. In Sri Lanka and Peru the setting up of IRDPs and District Development Committees, enabled the central government's field administration and the representatives of the local authorities to interact quite intensively and to co-ordinate their activities through the formulation of annual and five year district development plans (Dale 1992, Schmidt 1988, 1989). Through this, channels for popular participation have also been expanded.

Recent analyses of decentralisation in developing countries stress the importance of vertical linkages. Agencies at the central level must also be reorganized and reoriented to be in a better position to support decentralisation. Appropriate interorganizational linkages at both central and local level need to be developed, to utilize strength and to compensate for weaknesses at different

levels. Proper decentralisation also imply reorganisation of ministerial organisation for service delivery. That is why decentralisation reforms have to be coordinated with ministerial reforms under the current reform programmes in developing countries.

When social services have been devolved to local authorities this has implications for lines of communication to the respective ministries. In Botswana the responsibility for public health was decentralised to the local authorities and their staff integrated under the authorities of the local councils, i.e. under the authority of the Ministry for Local Government and Communal Lands (Lauglo and Molutsi 1994, 1995). At the same time the staff continued to report for professional matters to the Ministry of Health. The Ministry of Local Government wanted to build up the necessary competence in public health, but in small economies it is difficult to provide and sustain the necessary resources for capacity building on health matters in two ministries. A challenge for future devolution of the responsibilities for social services to local authorities will be to work out proper arrangement of authority and communication between district councils and the respective ministries, including division of responsibilities and capacity building to take place in the Ministry for Local Government.

4.3 Capabilities of local governments – impact on delivery of government services

Inefficiency in local government often manifests itself in a lack of ability to implement policies and to use the financial and other resources available for their intended purposes. Procedures for accountability is lacking. Equipment and materials are frequently diverted for private use, and many authorities fail to produce audited accounts. This lack of efficiency may be related to lack of adequately trained personnel, but also to inadequate regulations and enforcement mechanisms. It may also be related to the structural relations between local and central authorities. There may sometimes be some alliances between the central and local elites, and the local population may not have the power or the resources to control the actions of the elite.

Local governments' budgeting and planning models are often inadequate. In most countries district plans tend to be presented as aggregated 'shopping lists' made up of suggestions submitted by the villagers and district coun-

cils, as well as the central government's line agencies (Sri Lanka, Tanzania, Bangladesh).

This problem is partly a result of the absence of distinct hierarchical allocations of functions and responsibilities for the different levels of government. The individual agency or authority does not have a clear understanding of which activities it is responsible for, and which funds are available for executing these duties. Instead, all challenges and tasks tend to be «pooled» in a common list of tasks that need to be solved. The financing of these tasks is to a large extent dependent upon central or donor support.

Local government planning and budgeting is generally poor in developing countries, and especially in Sub-Saharan Africa. New planning and budget systems have been introduced as part of the public sector reform programs, which attempts to provide a more timely and realistic budget also at district level (Rolling Plan and Forward Budget). Little documentation exist on the result, but so far the attempts to integrate district planning and budgets into the new planning systems seem to have met with little success.

One of the most important elements of the recent decentralisation strategies of developing countries, have been the policy shift from attempting to control economic behaviour through participation in the production of goods and services, to providing an enabling environment for private sector production and investment.

It is important to distinguish between *provision* and *production*. The current ideology is that government should limit its involvement to primarily cover provision for services, and establish an environment that promotes private economic activity and production. This may substantially reduce many of the problems related to inadequate capacity at subnational government levels.

However, in order for local authorities to exercise their responsibilities for provisions properly, they need to be able to carry out some essential management functions:

- i) project identification and planning;
- ii) financial policy and generation of revenues;
- iii) public expenditure programming and management;
- iv) public sector staffing; and
- v) plans for operations and maintenance (O&M).

There is little systematic experience with devolving government services to the private sector and NGOs and community organisations. The great variations in economic development and organisational level of developing countries make it impossible to provide general conclusions. The African countries have experienced that there are few partners to come in on the provision of social services. Also regarding the devolution of government services in the technical infrastructure sector, there is a lack of a proper market in the African countries, which makes it difficult to set up private/public institutions for the provision of road building, water supply etc. This is an area where there is a need for much more systematic studies of the current experience of privatisation and public/private partnerships.

4.4 Revenues and expenditures – impact on the economy and public finances

In almost all reports on decentralisation, the importance of local revenues and incomes have been pointed out. Equally apparent has been the overall scarcity of financial resources that seem to characterize local government institutions in general. The financial aspects of the decentralisation policies relate both to revenues and expenditures. Many African countries do not have proper systems or capacity for financial planning and budgeting at local level. On the other hand, the current decentralisation in Central and Latin America has improved the financial base and quality of the services delivered locally.

Exercise of effective discretionary authority by local governments depends, of course, on their ability to generate the necessary financial and staff resources. If efforts to strengthen revenue collection at the local level is successful, this may represent significant redirection of resources towards these areas.

Some tend to argue that provision of services and revenue collection should be equally decentralised. There is, however, a fallacy in this line of reasoning. For instance, some taxes are more suited for decentralisation than others, and when considering whether to decentralise taxes, one ought to be guided by two very fundamental principles: *efficiency*, and *fairness*.

According to the principle of *fairness*, tax bases that are very unevenly distributed between local governments or regions are not suited for decentralisation. For instance, taxes based on natural resources should remain

in the control of the central government. Import taxes or value added taxes, where the burden of the tax imposed in a given jurisdiction can be borne by taxpayers established in another jurisdiction, are not suited for decentralisation.

For *efficiency* reasons, taxes that can induce people or companies to move away from high rate areas to low rate areas, are not applicable for decentralisation. It would lead to misallocation of resources. The most typical example here is the personal income tax (WB & IIA 1990).

The World Bank and other donors have argued that the application of these principles suggests that there are not many taxes that ought to be decentralised. Real property taxes, retail taxes, and to a certain extent head taxes, are about the only types of taxes that are suitable for decentralisation.

In other words, there are few «good» local taxes. A consequence of this, is that expenditure and taxes should be decentralised differently. «The logic of expenditure decentralization and the logic of tax decentralization are different. The reasons to decentralize expenditures are much stronger than the reasons to decentralize taxes. A desirable system is therefore one in which a large share of expenditure is decentralized together with a small share of taxes.» (WB & IIA 1990:73)

This logic partly ruins a much needed *responsibility* and *legitimacy* mechanism for taxing. In a balanced system, the cost of taxing has to be compared with the social benefits of spending (the same money). The expenditure level will be controlled and limited by the taxes available. However, in an unbalanced system, where local governments will have to spend more than they collect in tax; how can they legitimate their need to do so; and what would be the mechanisms for controlling spending?

In spite of these dilemmas, unbalanced systems prevail practically everywhere, both in developed and in developing countries. If one accepts the idea that the decentralisation of expenditures is more desirable than decentralisation of taxes, one must conclude that transfers or subsidies to local governments are necessary and needed.

Transfers or subsidies should therefore be considered as

an integral part of decentralisation policies and strategies. This is probably also the reason why their importance have increased in most countries. A relevant question is; what types of subsidies should be utilized, and according to what criteria should they be allocated?

The design of financial decentralisation should therefore be a major component of all decentralisation programme (WB & IIA 1990:74). Very often this has been lacking. The governments, as well as the donors, do not appear to have had an adequate understanding of this, and have not been sufficiently concerned with this in their drive to promote decentralisation. The financing of the decentralisation schemes has often been treated rudimentarily, and not dealt with as meticulously as the political and administrative aspects of the decentralisation.

4.5 Donors' support and involvement

Since the mid 1970s the donors have been supporting decentralisation reforms and schemes in most developing countries. Foreign donors alone cannot establish a well-performing local government in developing countries.

Both strong political commitment and existing capacity to implement reforms are conditions for successful reform programmes. If these conditions are fulfilled, donors could – if their programmes are well designed and implemented – act as catalysts for a process leading to improved local government performance.

However, donors should also be aware that by channelling funds directly to the strengthening of state institutions, they inevitably take on a more political role. Projects aiming at institution building will by definition seek to improve the capacity of institutions, which in this case means the capacity of the state.

With donors providing a substantial proportion of government funds in many countries, their support could be decisive in determining the outcome of internal political struggles. Much of the current aid programmes actually seems to have a centralisation effect on the developing countries, especially in those countries where donor funds make up large part of the investment budgets.

Thus, aid programmes historically seem to have strengthened central governments in the recipients countries, and oriented their accountability towards the external

donor community, while implicitly weakened the accountability towards the national and local political constituencies.

The supportive capabilities of donors, and the timeframe for the donors involvement, should be explicitly addressed when designing support to decentralised projects and programmes (World Bank, 1993, UNDP 1993, Smith 1989).

4.5.1 *Institution building vrs sectoral assistance*

There has historically been three ways in which foreign donors have been involved in supporting decentralisation;

- (i) in district development programmes (DDPs) and Integrated Rural Development Programmes (IRDPs), support is given to a combination of sectoral assistance and institution building, in which donors assist local authorities in the implementation of sectoral projects;
- (ii) donors can support decentralisation of various sectors, including both support to line ministries' coordinating units, and pilot projects to be implemented directly by local authorities (health, water supply, roads etc.);
- (iii) in support to local government reforms as part of Public Sector Reforms or Civil Service Reforms. This include projects aiming specifically at institution building – both support to the design of relations between local and central authorities, assistance in the implementation of decentralisation programmes and support to reform programmes and institution building at the local level.

The problems faced by these kinds of projects are somewhat different.

In the first type of projects, the main objective of donor involvement is to improve service delivery at the grass-roots level. In this context, decentralisation is seen as a means of cutting red tape and facilitating cross-sectoral coordination. The effect of decentralisation on the prospect of achieving these objectives will depend on how the local administration functions, and on how the administration of project activities is coordinated with and integrated into local government activities.

It is probably the case in many least developed coun-

tries that government capacity is lower at the local level, and that narrow project implementation in the short run will be more efficient, the more independent they are from the local administration. In order to achieve project objectives, it has therefore historically been a tradition for donors in the 70s and early 80s to run projects more or less on their own.

At the same time, the creation of separate institutions for the implementation of donor financed projects can undermine the sustainability of project activities. Thus, efficiency in project implementation in the short run may be bought at the expense of long-term sustainability. The temptation to create parallel structures for project implementation should therefore be resisted, even if this initially entails lower project efficiency.

In many cases, central governments will maintain some mechanism of control within a decentralised system. For donors, this could mean that they will have to deal with central authorities, even in a formally decentralised system. If, for instance, local authorities have to get the approval of central government in certain project matters, another bureaucratic link is established, which could hamper the progress of activities.

Alternatively, donors themselves may have to interact with both local and central authorities. In such cases, decentralisation could reduce administrative efficiency rather than increase it. This points to the crucial importance of political commitment to decentralisation at the central level. In the absence of such commitment, decentralised implementation of donor financed projects is unlikely to succeed.

In the third type of projects, where the specific aim is to strengthen local government institutions, the perspective becomes somewhat different. Here, it makes no sense to bypass official channels in order to increase project efficiency, since a major purpose of the project is to make government institutions more efficient.

It should be kept in mind though, that the justification for giving support to decentralisation and institutional building is that improvement of government performance is seen as a necessary condition for better service provision and efficient and legitimate governance. One problem with such projects is that it is very difficult to assess their impact with any certainty. This makes it all the more important that project objectives are clearly stated, though not necessarily in quantitative terms, and

that project activities are designed in accordance with these objectives.

Given the discussion above, the main focus of projects aiming at improving local government performance should be on structural and institutional factors influencing performance, and less focus should be on traditional forms of aid, such as vehicles, equipment and study tours (Moore 1992, Grindle and Hilderbrand 1995).

It should also be emphasised that institution building is a long term process, and that there are many factors beyond the control of donors that will influence the outcome. These constraints should be carefully considered in the planning of support to decentralisation and local government.

There has been a debate among donors about the relative importance that should be given to strengthening government institutions as opposed to sectoral support. On the one hand, sustainable sectoral programmes presuppose fairly well functioning institutions, with sufficient capacity to take over project activities after the end of the project period.

This could be an argument for concentrating on support to improving government capacity. On the other hand, given local governments' lack of funds and the donor dependence of many regions, a reorientation of donor support from sectoral programmes to institution building could leave local authorities with no other tasks than to develop themselves through donor funded capacity-building projects.

The point should be made that capacity building will work best if institutions have substantial tasks and responsibilities. The prospect of successful decentralisation and improvement of local government performance will probably be enhanced if it is combined and coordinated with either capital funds or sectoral support (Naustdalslid and Aasen 1995).

4.5.2 *Assisting the central government in the decentralisation process*

As mentioned above, firm support and commitment from the central government is a condition for successful decentralisation. In addition, the central government will have an important role in coordinating and implementing a decentralisation programme.

In many countries the Ministry or Commission for Local Government is very weak. A central coordination unit may therefore be required, although it should be closely integrated into the ministry itself. The coordinating unit could be a division in the Ministry of Local Government or its equivalent or an independent unit.

In Uganda, DANIDA has funded such a unit, and although the programme is still under way, the indications are that the coordinating unit has been a success. In Tanzania the World Bank fund the national secretariat for the Civil Service Reform Programme, including the secretariat for the local government reform component. In Zambia the ODA fund the decentralisation secretariat (LOGOSP).

The World Bank has raised the issue of whether the funding of such reform secretariat should not be the responsibility of the developing countries themselves, with donors only supporting activities under the programmes. In many of the least developing countries these might not be an option today.

It may therefore vary between countries whether there is a need for such a unit, but if there are doubts about the capacity of the central government for funding such units, assistance should be considered. Some donors have supported the development of decentralisation training material (Smith 1993).

4.5.3 *The role of technical experts and training*

One instrument that donor organisations have used to promote institution building is the so-called expert-counterpart arrangement, in which foreign experts occupy positions in developing countries at international salary level for a fixed period. Recent reports have concluded that such arrangements are expensive and that they generate adverse effects as a result of the enormous difference in salary levels between the foreign experts and the local counterparts. Even more importantly, there is little evidence that they are effective as training arrangements.

As a consequence, many donors are now shifting to «twinning arrangements», or long-term arrangements for cooperation between institutions in donor countries and recipient countries. This is an arrangement which, in principle, has several advantages: greater acceptance of foreign «donor-side» personnel, who come as fellow

professionals with similar problems; flexibility in the type and timing of assistance and the possibility of long term relationships.

However, there are a number of potential problems associated with such arrangements as well: the number of relevant and committed donor country organisations may be limited; their knowledge may not be relevant in a developing country context; developing practical arrangements specifying the role of the donor country organisation could be difficult, and administrative costs could be high.

Other arrangements are therefore also in use; (i) short and long term consultancy, and (ii) Experts (TAs) on ordinary (high salary) post, with full functioning responsibility (to be replaced in due time).

The main focus of projects aiming at improving local government performance have to address the structural and institutional factors influencing performance, with less funding going into traditional forms of aid, such as vehicles, equipment and study tours.

There has been several recent studies which have been critical to traditional training programmes for capacity building (Moore 1992, Grindle and Hilderbrand 1995). These studies recommend efforts to build more political and organisational cultures, which are more conducive to accountability and transparency.

A demand driven strategy where support is given as response to local demands, is recommended to promote local innovative and responsible leadership (World Bank 1995). Such aid is much more difficult to programme and implement than traditional interventions, and there are bound to be failures. But there are no other alternatives if one want to improve the aid assistance to decentralisation and governance.

4.6 Monitoring and evaluation of decentralisation

Institutional capacity and aid performance

Evaluations of aid assistance have identified weaknesses in institutional set-up as one of the major reasons why aid interventions fail, and why sustainability is not secured (Moore 1994, DANIDA 1994). During the 1970s and 1980s aid interventions were often implemented in project implementation units, outside or par-

allel with government structures (Moore 1993, DANIDA 1994).

One reason for this was the weak planning and implementation capacity of local institutions, including local government. Although less aid is now channelled outside the government structure, there still remain the problem of weak management capacity at the local level. And this will remain so for the near future, due to the economic stagnation in rural areas, especially in Africa (Therkildsen 1995).

Various donors are now active in «pushing» decentralisation¹ especially in sectors like water and sanitation and primary health care. Guidelines are being developed for

- i) designing decentralisation programmes and training (Smith 1993); and
- ii) assessing local institutions (Therkildsen et.al. 1993).

Evaluations which will take place in the OECD countries the next years should therefore to a greater extent reflect on, and include in the analysis, institutional issues and the decentralisation that is taking place in the policy environment of the aid interventions.

A number of such reviews and evaluations have already been performed (World Bank 1990a, DANIDA 1995, SIDA 1989, 1990, 1991a, 1993, 1995, UD 1993, 1995), and more are expected as this type of aid assistance increases. Efforts have also been made to discuss issues and topics that should be included in designing or evaluating decentralisation and institution building (Moore 1994, SIDA 1991b, World Bank 1990b, 1992, 1993, 1994).

Different types of evaluations:

According to DAC guidelines evaluations are supposed too be done by independent expert teams (OECD/DAC 1991). The guidelines recognize that there might be a tension or dilemma between the requirement of independence of the evaluation team, and the need for implementation of the recommendations from the evaluations. More recent studies have shown that evaluations have little impact on aid, and that the learning effect in the aid administrations have been small.

In some projects efforts have therefore been invested in

making the evaluations more relevant, and tailored to need to make informed choices of adjustment and programme changes in the intervention.

Receiving relevant information during project implementation seems to be a major concern for the donors. Earlier evaluations of decentralisation and institutional development have often been hampered by poor monitoring and reporting systems during project implementation.

UK/ODA in their support for decentralisation in Zambia has put emphasis on proper monitoring and regular review missions during project implementation. The LOGOSP (Local Government Support Project) secretariat produce a comprehensive six monthly report, and outside experts (researchers and consultants) are regularly called in to assess specific issues. No decision has yet been taken to have an ex-post evaluation of LOGOSP. LOGOSP is also supporting the development of a system for local government performance appraisal. These appraisal systems will be utilized by the district staff in close collaboration with LOGOSP, and will be closely related to the training which will take place in the districts (LOGOSP, 1993).

DANIDA does not attempt to make impact assessments of their support to decentralization in Uganda. Instead they regularly send expert teams to do evaluations of organization and implementation of the programme at regular intervals, to check progress and identify problems to be addressed (DANIDA 1995b).

The World Bank in their support to Civil Service Reform Programm and Local Government Reform in Uganda, is making an attempt to develop a monitoring and evaluation system to measure impact of the reform on service delivery (Langseth 1995).

Using the evaluation to increase the ownership of the reform programme has also been tried by some projects. An example is the World Bank «Governance Approach to Civil Service Reform», and their efforts to develop an «Institutional Environmental Assessment» method. Instead of having an outside expert team doing the assessment, the various sectors of the public administration were themselves taking part in the assessment, with the aid of a facilitator or project leader (World Bank 1994).

This was in order to increase their knowledge, reflection and ownership of the problems identified in the in-

stitutional environmental assessment, and should make for less hostility to new proposals for organizational changes, and more rapid implementation of recommendations. Organizing assessments and evaluations with the participation of a great number of people was, however, not without its problems, so participatory assessments² are therefore not recommended as a substitute to expert evaluations and assessments, but as supplements.

These considerations show that there are a number of types of evaluations, and that the selection of type of evaluation should reflect the types of information and knowledge needed in the specific situation:

- (i) Expert evaluation (traditional ex-post evaluation)
- (ii) Process evaluation (including reviews and information feedback during project implementation;- important for pilot projects)
- (iii) «Problem oriented» evaluations, with selected issues (for example institutional issues, gender, poverty etc.)
- (iv) Participatory evaluations, using facilitators to run participatory (monitoring and) evaluation (some times using project staff as facilitators, when the monitoring and evaluation is part of the project itself)

Including institutional issues and decentralisation in aid evaluation designs

Institutional aspects include the relationship between organizations, for example the relationship between central and decentralised offices of an agency, organization or ministry. It can be no uniform model for evaluations of decentralisation. Evaluations of decentralisation have to take these issues into consideration:

- * variations in the reform designs themselves
- * variation in the political context, and «national ownership» of the reforms
- * more specifically, variations regarding the position of decentralization within the reform

There are three ways the institutional issues, including decentralisation could be better integrated into the evaluations:

- i) when describing and analysing the organization and implementation of the project/activities

- ii) institutional structures and decentralisation as part of the policy and institutional environment in which the activities are to operate
- iii) institutional development and decentralisation as explicit dimensions to be included in the results to be studied, impact on the management systems, and division of labour and responsibility between central and decentralised level

Institutional issues are poorly treated in the guidelines for evaluation of aid assistance today. The OECD Guidelines for Effective Aid, has in their Principles for Evaluation of Aid assistance are mostly concerned with the policy framework within which evaluations take place, and that proper procedures for evaluations should be developed and adhered to by the donor nations (OECD/DAC 1992). Their concern is also to «harmonise» the guidelines between the OECD countries. The guidelines do however list «basic groups of evaluation issues»:

- * Rationale
- * Objective achieved
- * Impacts and Effects

The evaluators should according to the guidelines assess the information and formulate conclusions and recommendations concerning:

- * The overall results
- * Sustainability
- * Alternatives
- * Lessons Learned

There is no explicit mention of organisational and institutional factors, but the issue of sustainability has to include some reflection and analysis of the institutional set-up to make sense. Beyond the immediate effects and impacts that the evaluations are supposed to identify, OECD/DAC recommend that long(er) term sustainability be included in the evaluations (OECD/DAC 1992).

Similar in the NORAD Handbook for Evaluation of Aid Assistance (NORAD 1993a) the major emphasis is on impact and effects, with no «obligatory» study of the organization and implementation of the study. The handbook introduce the institutional issues explicit under the heading «development factors» which influence the sustainability of the projects, referring to the OECD/DAC report of 1989 referred to above. The six factors which influence the sustainability of the projects are :

- i) Policy support measures
- ii) Institutional aspects
- iii) Financial/economic conditions
- iv) Technological factors
- v) Socio-cultural factors
- vi) Environment/ecology
(NORAD 1993a, p.43)

Some of the questions from the checklist under institutional factors are included in the list of questions (checklist) in the appendices at the end of this report.⁵

4.7 Conclusions and recommendations

First, the study demonstrates that the contribution of decentralisation to improving democracy and equity seems promising in a number of countries, especially countries with a long history of nation building and a long bureaucratic history. Decentralisation seems to have limited impact on governance in many of the least developed countries, where decentralisation is carried out in a period of economic crises and stagnation, and under considerable external pressure.

Second, there is considerable ambiguity in willingness to decentralise real power and resources from the central government in many of these countries. This is partly rooted in differences in interest, but also in weak capabilities and a number of other problems at the local level, such as lack of administrative competence, weak planning and control systems and lack of coherent local mobilisation.

Third, in most developing countries the decentralisation reforms are ambiguous and often create confusion and uncertainty at the local level about the rules and policies governing the decentralisation. Local governments and local population is often ill-informed about current decentralisation policies.

Fourth, the study concludes that decentralisation has improved management efficiency and financial performance in certain cases, both in Asia and Central and Latin America. However, most local government systems, particularly in Sub-Saharan Africa have been hampered by unclear authority-relations and roles, detailed central intervention, weak accountability and lack of funds. The potentials at the local level for promoting resource mobilisation, planning and management have rarely been utilised.

Fifth, the experience with donors' involvement in decentralisation has been mixed. Donor support has to a large extent been focused on administrative structures, and they have not paid satisfactory attention to the political forces and processes – especially at local level. When analysing aid assistance and decentralisation reforms, one has to take into account all aid, not only the small proportion of aid going into local government strengthening.

Sixth, most aid assistance, sector support etc., has gone to strengthen government and institutions at central government level. In this way, the central government and institutions may also have become less dependent on local groups and structures, and therefore less interested in establishing a good dialogue and mutual cooperation with them. It is therefore important to relate decentralisation reforms to public sector reforms more generally, incl. ministerial reforms.

Seventh, there has been a debate among donors about the relative importance that should be given to strengthening government institutions as opposed to sectoral support. Capacity building will work best if institutions have substantial tasks and responsibilities. The prospect of successful decentralisation and improvement of local government performance will probably be enhanced if it is combined and coordinated with either capital funds or sectoral support.

Eight, recent studies critical of traditional training programmes for capacity building, have recommended efforts to build and improve political and organisational cultures, which are more conducive to accountability and transparency. This means more in-house training and programmes for organisational developments, improved working methods and procedures.

Ninth, there is a strong need for monitoring and evaluation of programmes promoting decentralisation and local government reforms. Today there exist only scattered evidence of the effects and effectiveness of such programmes. Responsibility and capacity for conducting monitoring and evaluations should be strengthened in developing countries, and the donors should coordinate and share information from their reviews and evaluations. There is also a need to invest more in

research capabilities on these topics at universities and research institutions in developing countries.

Thus there is a mixed picture on the performance varying between countries and regions. The material consulted for this paper clearly indicates that:

- (i) Generalisations positioned for the whole group of developing countries do not provide much insight or knowledge. There is a need to continue to promote country and region based studies.
- (ii) It is difficult to measure the impact of decentralisation on governance. When Central and Latin America score high on both pressure from below for decentralisation, enhanced fiscal decentralisation, and improved governance, this result might as much have been set in motion by an improved governance at the central state level, reflecting economic and political development (incl. the fall of authoritarian regimes).

There is a need for more systematic studies in a comparative perspective of:

- * Relations between decentralisation reforms and other public sector reforms in developing countries;
- * Economic deregulation and use of private sector and community based organisations for service delivery, i.e. local innovative solutions for service provisions, incl. running and maintaining service infrastructure;
- * Financial decentralisation, and systems of promoting accountability at the local level;
- * Decentralisation and impact on potential regional and ethnic conflicts, – systems for power sharing in divided countries, incl. decentralisation and local governments in post-conflict societies; and
- * Institution building at local government level, systems for capacity building.

The studies could be carried out as joint exercises between several donors who are supporting similar reforms and programmes. As a minimal form of donor cooperation, reviews and evaluations report should be actively distributed and made use of by other donors.

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Annex 1: Checklist for Evaluating Institution Building and Decentralisation

The Evaluation of Decentralisation has documented that decentralisation issues are frequently poorly analyzed and discussed in OECD evaluations. The *objective of presenting a checklist is to have a more systematic analysis of institutional issues and decentralisation in the evaluations of Development Assistance in OECD countries.*

A checklist can be a useful tool when *designing appropriate and relevant Terms of References for Evaluations of projects and programmes*, as well as when project officers are *designing monitoring and evaluations systems for new projects.*

Institutional issues and decentralisation can be raised in the evaluations when analysing:

- (i) Policy level (national level)
- (ii) Institutional environment for the activities
- (iii) Organisation and implementation of the project
- (iv) Effects and impacts of the interventions

The questions which could be asked in the evaluation would differ according to the character of the project/programme/sector to be evaluated, but they could include:

(i) Policy level

- * What are the *national laws and regulations* regarding the division of responsibilities and tasks between central and local authorities in the relevant sector/ministry, and is this division of responsibilities sufficiently clear?
- * What *forms of decentralisation* is taking place in the relevant sector, deconcentration to local level ministerial staff or devolution of power to local authorities (see approach paper, usually there is a mixture of various forms of decentralisation)?
- * What is the *division of responsibility between the political and administrative parts* of the local government (including the effects the donor supported activities might have on this division of responsibilities)?

(ii) Institutional environment for the activities

- * Which *tasks and activities* have been decentralised, decisions, planning, implementation, monitoring and reporting etc.?
- * How has the decentralisation affected the *distribution of resources between various regions and social groups* (this is also relevant when doing sector evaluations)?
- * What is the *financial basis for the local government*, and are the funds sufficient (this question is relevant both for the implementation of the activities, as well as for the further sustainability of the activities)?
- * What is the *administrative and human resource basis* for the local government (this question is relevant both for the implementation of the activities, as well as for the further sustainability of the activities)?
- * Is the decentralization of *tasks adapted to the existing capacity* in the local government, - and if not what kind of upgrading takes place?
- * Has the decentralisation led to higher *political participation*, and if so by which groups?
- * Has the decentralisation contributed to increased *legitimacy of the political-administrative system*?
- * What kind of *backing is there among the politicians and senior civil service staff for decentralisation* (relevant indicators: resource allocation and relevant legislation), and how does this affect the decentralisation efforts?
- * How *knowledgeable is the local population about the decentralisation* and the responsibilities of the elected district councillors and local government staff?
- * Can this knowledge be utilised to *mobilise the population to put pressure on the local government institutions* for improved service delivery?

(iii) Organisation and implementation of the project

Although the policies of most donors is to channel funds through existing organisations and government structures, there is still a need to ask questions about parallel systems:

- * Are the *interventions channelled through the existing organisations*?
- * Do the interventions contribute to *new and parallel organisations*?

If one channel funds through existing organisation there is a balance between training and upgrading these organisations, and adapting (and usually scaling down) the activities to fit the low capacity of the local organisations to manage the funds:

- * Are the *activities adapted to the capacity and capabilities of the institutions* available?
- * How has the *training and institution building* been designed, and what are the reasoning behind this?

- * How are *bottlenecks for local implementation* identified, and are the activities designed to address these bottlenecks relevant?

(iv) *Effects and impacts:*

- * How have the activities influenced the *relations between central and local organisations, and between public and private actors*?
- * Have the activities *strengthened or weakened the decentralisation* (i.e. financial, administrative and political decentralisation)?
- * Are the *effects and impacts in accordance with national policies* of the recipient country?

Annex 2: Checklist for Evaluating Decentralisation and Public Sector Reform Programmes

The decentralisation issues in reform programmes will normally consist of two elements:

- (i) the reform of relations *between central and local levels of government*, including the design of specific modes of interaction between the various levels; and
- (ii) the reform of institutions *at the local level*.

(i) Factors related to the design of decentralisation policies

A reform programme involving decentralisation will depend on *support from the central government*. Any such reforms must be planned, formulated and politically supported by the central government before any transfer of authority to local levels can be effectuated (Smith 1993). In addition, the implementation of such reforms will require substantial central coordination, for which central government commitment and resources will be essential. Such coordination could be the responsibility of a government ministry, such as the Ministry of Local Government (or a special department within the ministry, as is the case in Zambia), or a special agency could be established specifically for this task (Uganda is a country where the last option has been chosen).

Once the necessary support and resources for decentralisation have been secured, the *specific details of how relations between central and local authorities should be organised* have to be worked out. Evaluations of decentralisation and reform programmes, could include the following themes and questions:

- * What is the *relative position of decentralisation in the reform programme*? Is decentralisation included in the reform programme? Is decentralisation one of the important objectives or instruments of the reform programme?
- * How much *funds and human resources* are allocated to the decentralisation part of the reform programme?
- * How is decentralisation *monitored and evaluated*? Does it exist a baseline? What kind of indicators are used?
- * *Political commitment*: What kind of backing is there among the politicians and senior civil service staff

for decentralisation (relevant indicators: resource allocation and relevant legislation), and how does this affect the decentralisation efforts?

- * *Type of Decentralisation*: Political vrs. Administrative Decentralisation: What kind of decentralisation has taken place?
- * *Functions*: Which functions have been decentralised?
- * *The level of decentralisation*: To what level have functions and decision making authority been decentralised? What is the position of the provincial level, vrs. the district level concerning resources available, functions decentralised and decision making authority?
- * *Legislation*: What kind of legislation (concerning staffing, revenue generation local authority etc.) supporting decentralisation has been introduced?
- * *Financing*: How is the financing of decentralisation taking place? What are the changes in local authorities ability to generate revenue? And what are the changes in transfer of funds from central to local government (or to decentralised institutions)?
- * How has the decentralisation affected the *distribution of resources between various regions and social groups* (this is relevant when doing sector evaluations)?

(ii) Factors related to reform at the local level

Although relations between central and local levels of government are important for how well the decentralisation works, performance will also be affected by conditions at the local level. Evaluations have to assess how decentralisation is perceived and acted upon by local institutions, including

- (i) how national decentralisation *policies are perceived at the local level*;
- (ii) how *changes in formal systems* and organisations at local level is taking place; and
- (iii) *impact on the tasks and functions decentralised*, included impact on service delivery at local level.

Below is a list of questions that could be included in analysing local level constraints and impacts in evaluations of decentralisation and reform programmes, es-

pecially programmes aiming at reform of government institutions at the local level:

- * *Information about decentralization policies at local level:* Have the local institutions received information, guidelines, handbooks, policy statements etc. about the reforms and the new policies?
- * *The functional division of labour between various decentralised government agencies:* How has decentralisation changed the relation between local institutions?
- * *The structure and organisation of each agency:* How has the internal structure and routines of the particular agency changed? This could include changes and improvements such as establishment of new units, new modes of internal communication, changes in the organisational hierarchy and improvement in filing systems and accounting procedures.
- * *Political participation and legitimacy:* Has the decentralisation led to higher political participation, and if so by which groups? Has the decentralisation contributed to increased legitimacy of the political-administrative system? What kind of backing is there among the politicians and senior civil service staff for decentralisation, and how does this affect the decentralisation efforts? How knowledgeable is the local population about the decentralisation and the responsibilities of the elected district councillors and local government staff? Can this knowledge be utilised to mobilise the population to put pressure on the local government institutions for improved service delivery?
- * *Personnel policies:* Some of the core components of ongoing public sector reforms in a number of countries can be classified under this heading. What effects have there been locally of the *retrenchment schemes*, and *pay reforms*? Has the civil service employment become more attractive and has absenteeism been reduced? Are there other effects on recruitment criteria, and in the career paths open to local government servants (promotion systems, transfers)?
- * *Financial and human resources:* What effect does decentralisation have on the financial basis for the local government, and are the funds sufficient? And what effects does it have on the administrative and human resource basis for the local government (this question is relevant both for the implementation of the activities, as well as for the further sustainability of the activities)?
- * *Management capacity:* Trained managers are scarce in many countries, and reform programmes usually seek to address this by supporting management training of various kinds. What kind of management training has taken place? What issues are included in the management training? What impact have the training had?
- * *Staff qualifications:* Training is normally a core component of civil service reform programmes. This includes both the management training referred to above and various types of technical training. Who have been trained, and in what fields and subjects (including gender specific data)? How relevant has the training been? Has there been on-the-job training, including organisational change projects?
- * *Work conditions:* Workers' performance and motivation will also be affected by the nature of the environment in which they work. Has the reform improved the working environment?



EVALUATION REPORTS

- 1.87 The Water Supply Programme in Western Province, Zambia
2.87 Sosio-kulturelle forhold i bistanden
3.87 Summary Findings of 23 Evaluation Reports
4.87 NORAD's Provisions for Investment Support
5.87 Multilateral bistand gjennom FN-systemet
6.87 Promoting Imports from Developing Countries
- 1.88 UNIFEM - United Nations Development Fund for Women
2.88 The Norwegian Multi-Bilateral Programme under UNFPA
3.88 Rural Roads Maintenance, Mbeya and Tanga Regions, Tanzania
4.88 Import Support, Tanzania
5.88 Nordic Technical Assistance Personnel to Eastern Africa
6.88 Good Aid for Women?
7.88 Soil Science Fellowship Course in Norway
- 1.89 Parallel Financing and Mixed Credits
2.89 The Women's Grant. Desk Study Review
3.89 The Norwegian Volunteer Service
4.89 Fisheries Research Vessel - "Dr. Fridtjof Nansen"
5.89 Institute of Development Management, Tanzania
6.89 DUHs forskningsprogrammer
7.89 Rural Water Supply, Zimbabwe
8.89 Commodity Import Programme, Zimbabwe
9.89 Dairy Sector Support, Zimbabwe
- 1.90 Mini-Hydropower Plants, Lesotho
2.90 Operation and Maintenance in Development Assistance
3.90 Telecommunications in SADCC Countries
4.90 Energy support in SADCC Countries
5.90 International Research and Training Institute for Advancement of Women (INSTRAW)
6.90 Socio-cultural Conditions in Development Assistance
7.90 Non-Project Financial Assistance to Mozambique
- 1.91 Hjelp til selvhjelp og levedyktig utvikling
2.91 Diploma Courses at the Norwegian Institute of Technology
3.91 The Women's Grant in Bilateral Assistance
4.91 Hambantota Integrated Rural Development Programme, Sri Lanka
5.91 The Special Grant for Environment and Development
- 1.92 NGOs as partners in health care, Zambia
2.92 The Sahel-Sudan-Ethiopia Programme
3.92 De private organisasjonene som kanal for norsk bistand, Fase I
- 1.93 Internal learning from evaluation and reviews
2.93 Macroeconomic impacts of import support to Tanzania
3.93 Garantiordning for investeringer i og eksport til utviklingsland
4.93 Capacity-Building in Development Cooperation Towards integration and recipient responsibility
- 1.94 Evaluation of World Food Programme
2.94 Evaluation of the Norwegian Junior Expert Programme with UN Organisations
- 1.95 Technical Cooperation in Transition
2.95 Evaluering av FN-sambandet i Norge
3.95 NGOs as a channel in development aid
3A.95 Rapport fra presentasjonsmøte av "Evalueringen av de frivillige organisasjoner"
4.95 Rural Development and Local Government in Tanzania
5.95 Integration of Environmental Concerns into Norwegian Bilateral Development Assistance: Policies and Performance
- 1.96 NORAD's Support of the Remote Area Development Programme (RADP) in Botswana
2.96 Norwegian Development Aid Experiences. A Review of Evaluation Studies 1986-92
3.96 The Norwegian People's Aid Mine Clearance Project in Cambodia
4.96 Democratic Global Civil Governance Report of the 1995 Benchmark Survey of NGOs
5.96 Evaluation of the Yearbook Human Rights in Developing Countries
- 1.97 Evaluation of Norwegian Assistance to Prevent and Control HIV/AIDS
2.97 «Kultursjokk og korrektiv» – Evaluering av UD/NORADs studiereiser for lærere
3.97 Evaluation of decentralisation and development

