

Decentralization and Accountability

Defining Decentralization

- There is a specific vocabulary used when talking about Local Gov't which is important to understand.

Decentralization

Is any act in which a Central Gov't formally cedes powers to actors & institutions at lower levels in a political-administrative and territorial hierarchy.

Cont'd

- Very often this is a 3 level hierarchy involving central, district and local authorities. It is synonymous with what is known as democratic decentralisation which involves the periodic election of local councillors by local people who form a local decision making executive.

Devolution

Used to mean 'true decentralisation' because it means that central government gives discretionary and autonomous power to lower levels of government. They have power to decide certain issues for themselves e.g. collection of local taxes and set taxation rates.

Deconcentration & Delegation

- Is when public functions are transferred (*de-concentrated*) to lower levels of government but without any discretion or autonomy. Budgets & service standards are decided at central level & a local 'manager' is then *delegated* authority to make sure that work is carried out as directed.

Privatization

- Sometimes PPPs: is the permanent or temporary transfer of powers (usually to carry out a service) to any non-state entity, including individuals, corporations, & NGOs. Privatization, although often carried out in the name of decentralization, is not a form of decentralization.

Political Decentralization

- Refers to the mandate that local governments are given. This is usually embodied in what are known as Local Government Acts which describe the powers and authorities that local governments have.

4 Key Issues

- Extent laws give discretion to Local Gov't (i.e. devolved powers).
- Extent laws clarify divisions of authority between line agencies and Local Gov't.
- Extent laws provide for local participation
- Extent laws clarify upward and downward accountabilities to Central Gov't and citizens.

Fiscal Decentralization

Refers to the provision of funds for decentralised Local Gov'ts. It covers both the degree of discretion that is given to local authorities to raise their own funds as well as the arrangements for providing local authorities with central grants for providing services.

Grants

Many grants are non-discretionary (i.e. they are earmarked for specific functions and cannot be used for other purposes).

Cont'd

Another factor is block grants are 'the same for all' and do not take into account the actual conditions faced. Some countries do now operate with grants calculated on the basis of poverty criteria in an attempt to offset this problem.

Administrative Decentralization

Refers to the administrative resources that LGs have at their disposal to carry out their work, both in terms of budgets for staff and staff capabilities.

LG Secretariats

- Have centrally appointed civil servants and locally hired juniors. Local councillors don't have the authority to hire and fire centrally appointed secretariat staff, who could be transferred. LG are under staffed and under qualified which imposes severe restrictions of the ability to LG to perform.

Institutional and legal framework

- Such LG Act/Decentralization Act
- Decentralization secretariat
- Ministry of Local Government
- Local Government finance commission

Success of Decentralization

- Districts have more resources, responsibilities and more decision making autonomy. In both theory and practice decentralization is to increase strengthen participatory democracy and advance rural development

Community Empowerment

- Communities are empowered and their representatives make local decisions, district service committee appoints civil servants, awarding of tenders etc

successes

- **Reduction of bureaucratic hierarchies;**
- **Down-sizing or right sizing of public services**
- **Identifications of the posts of inputs and outputs**
- **Use of contracts for the provision of public services**
- **Increase of provider competition**
- **Benchmarking and measuring performance**
- **The increase of consumers power; and**

Challenges for democratic governance

Factors that undermine democracy:

- Inadequate decentralization (*effectiveness*)
- Inequitable access to power, authority and resources (*equity*)
- Exclusion (*participation*)
- Poor legislation (*rule of law*)
- Lack of transparency & trust (*accountability*)

Ethnic Tensions

- The District Creation project could lead to ethnic tensions especially when districts are carved out depending on ethnicity.

Challenges cont'd

- Increased gap between the rich and poor districts,
- ethnicization
- Corruption and administrative inefficiencies (for example, one study a couple of years ago showing that only 36% of the resources reach intended beneficiaries – in Uganda)
- Manpower, physical infrastructure

Cont'd

- Resource differences and imbalances in districts makes decentralization untenable
- Jobs are preserved for only those of that district

Who supports democratic governance?

- Elected LG provides legitimacy to democracy nationwide. It provides a solid foundation for an emerging democratic culture and society in Africa.
- To deepen local democracy, citizens must be engaged in the democratic process and LG should engage actively with civil society to promote participation in local decision making.”

Kampala Agenda for African Local Government (2006)