

## **LORC Group 4 Meeting**

Date and Time: Saturday 25 June, 2005, 10:00-12:00

Venue: Room 408, 21<sup>st</sup> Building, Ryukoku University Fukakusa Campus

Participants: Frederick Golooba-Mutebi, K. N. Harilal, Rika Kato, Masahisa Kawabata, W. D. Lakshman, Brij Maharaj, Hisashi Nakamura, Fumihiko Saito, Deddy Tikson

### Explaining the structure of LORC (Fumihiko Saito)

LORC is divided into four groups:

Group 1: to look at theoretical framework and desirable leadership style;

Group 2: to think about the issues of education, training, and human resources development;

Group 3: to develop an evaluation and accreditation system to measure if desired future leaders are in fact educated through the system proposed by Group 2;

Group 4: primarily to look at the experiences of different countries as regard to decentralisation and participation, and to engage in comparative analysis of selected Asian and African countries.

Plus three working groups (WGs) were set up this year, cutting across the group boundaries:

WG1: conceptual framework;

WG2: system development and possible application in Mie Prefecture;

WG3: education and training of local officers, with practical application in Kumamoto City.

Group 4 is working on developing countries, while other three groups are mainly looking at Japanese issues. Yet many issues are shared by Japan and other countries, and it makes more sense to bring the experiences together and discuss in a common forum. The site visit of the 24 June showed an example of a cross boundary approach for regeneration in Japan, and similar attempts may also be found in different countries, for instance.

### Updating the decentralisation trends in each country

#### **Indonesia** (Dr. Deddy Tikson)

Indonesia had very centralised governments since the independence of 1945, then came economic decline, reformation, political reformation and political decentralisation.

Political decentralisation was initiated with the presidential election held in July 2004.

Local Government Act No. 22 (1999) provided decentralisation of government, i.e. devolution from the central government to sub-national governments, such as provinces, counties, and municipalities. In 2004, Local Government Act No. 32 was enacted, stipulating that local people have right to vote for their county commissioner and mayor. Based on this Act, Indonesia has local elections from June to October 2005, for the first time since the independence. Elections are held in 7 provinces to elect governors, and in 159 counties and municipalities to elect commissioner and mayor. This in fact is very costly democracy – costing Rp 600-700 billion.

FS: Some people say under the current president Indonesia is moving towards re-centralisation.

DT: We have to go back to the laws / Acts – the difference between the Local Government Act Nos. 22 (1999) and 32 (2004) is on local election, and this means more democracy and decentralisation, rather than centralisation. A reason why some people see the move towards centralisation may be to do with the inability of local governments to finance themselves, and consequently that most money comes from the central government. In other words, the problem is that decentralisation is not accompanied by the collection of local revenue.

KNH: How can the cost and benefit of the election be compared?

DT: The views of people other than politicians and government are divided – some agree on the idea of election while others object it because of the cost. But generally speaking Indonesia came to the euphoria of election. Political parties seek power for money.

### **India** (Dr. K. N. Harilal)

In developing country, there is a growing disillusionment about the promises of decentralisation – people are not as enthusiastic as they were before.

In India, the 73<sup>rd</sup> and 74<sup>th</sup> constitutional amendments have contributed to decentralisation and Kerala is one of the places where the amendments are used very effectively in the process of decentralisation, and has been producing good effects, such as improvement in participation of people, inclusiveness of the government process, agriculture productivity etc.

Despite of this, enthusiasm is slowly coming down. This is reflected into the declining rate of participation. It is now difficult in some places to organise citizens meetings. There seem two reasons for this. One is fiscal problem, that most local governments are financially dependent on the central government to a significant extent. Another is the

impact of globalisation, such as falling price of agricultural products, deflation etc.

Thus global and national policy changes are much more important than local policies in conditioning lives of people, and this led to people's disillusionment with local policy. Some critics say that decentralisation is a neo-liberal strategy to save central and regional government from responsibility of public service provision.

At the same time, however, people are also aware of the advantages of doing things locally with participatory spirit.

It makes sense that in Miyama 2/3 of money comes from the central government, for the preservation of the site is also national interest and responsibility.

There should be some kinds of mixing between central, regional, provincial and local, governments, international and participation elements etc. as regard to responsibility and finance.

RK: By 'central government' do you mean real central government, or state government?

KNH: In India, there is Government of India, and then state governments, e.g. of Kerala.

The central government of India collects some taxes and distribute some to the state government and the state government collects some taxes and distribute a certain part to local government, and local government collect their own taxes too – that means local government is heavily dependent on the state government and the majority of their income comes from the state government.

### **Sri Lanka** (Professor W. D. Lakshman)

Sri Lanka also had a highly centralised system until the mid 1980s. From the political independence in the late 1940s to 1987, Sri Lanka had a unitary (as opposed to federal) government with a parliamentary cabinet system. Being a small country, the centralised system was considered to be adequate and in the process of independence negotiation there was hardly any request regarding devolution of power.

There are three kinds of local authorities: municipal, urban and village. Local authorities together with the central government address national as well as local issues. But as things move on, various problems cropped up in terms of the distribution of opportunities and resources etc. between different ethnic groups and nationality groups.

As regard to the ethnic groups, in Sri Lanka the majority is Sinhalese (about 75% of the population) the rest is Tamil and Muslims. Problem started with the main minority community of Tamil, for the Sinhalese dominated government has not been looking at the minority. There are two segments in Tamil minority: 1) those who have been living in Sri Lanka with Sinhalese for many centuries, mostly inhabiting the northern and eastern part of

the island; and 2) Tamils (sometimes called Indian Tamils), who have been brought from South India in the 19th century to work in plantations, living in the central highlands of the island.

The ongoing conflict is between the government of Sri Lanka and its security forces, dominated by the Sinhalese and the militant group of the Tamil community in the north and east organised in the name of LTTE. In order to address the ethnic issue, in 1987, basically as a result of the Indian government intervention, a constitution amendment was made, and under this amendment 9 provincial councils were set up. This was an attempt to devolve power. Yet, the provincial councils in the north and east did not work, since LTTE did not accept this. Thus, 7 provincial councils have been in operation since 1987.

A problem with the devolution in Sri Lanka is that provinces are deeply dependent on the central government financially – about 75% of money comes from the centre. The more developed region, i.e. the Western Province has more resources of its own than other provinces where resources are limited and their economy is not as developed as the Western Province. These other provinces thus are dependent more heavily on the central government.

BM: Apparently, Tamil communities are severely discriminated against when aid is distributed.

WDL: My feeling is that discrimination is commonly felt by all outlying regions. So the northern and eastern parts, located so far away from the centre also faced discrimination or at least neglect by the central government. True, the conditions in these regions are really miserable today but this is mostly the result of twenty years of civil war. What the conditions would have been without the war is difficult to imagine.

### **Uganda (Dr. Frederick Golooba-Mutebi)**

In Uganda it is becoming extremely difficult to discuss decentralisation without looking at national-level politics, and to understand national-level politics without looking at the politics of decentralisation.

For the last twenty years Uganda has had what is called a no-party political system, which in fact is a one-party system. Under this system there increasing intolerance for diversity of ideas – people are obliged to fit in with President Museveni's ideas. It is under this monolithic system that Uganda has implemented a decentralisation programme in which

power and resources were devolved to the district level. The decentralisation was instituted in the early 1990s and a lot of research has been done to evaluate its impact, without much consensus. The programme started in 1993, and in 2003 the government came under increasing pressure to open up political space. President Museveni came out in favour of opening up not because he was convinced of the merit of multi-partism, but because of strong pressure from donors. This coincided with a constitutional review process during which the President and his cabinet proposed that limits on presidential terms be lifted.

There is a fairly tense political atmosphere at the moment. There are a few changes proposed for local government. One of the proposals is for the central government to appoint chief administrative officers for the districts, who until now have been appointed by local councils. This may create some instability. Currently chief administrative officers are being accused of corruption. One justification for the central government re-appropriating powers to appoint them is in order to fight corruption. However, people are suspicious of this and see it as part of the president's overall attempt at becoming not only dominant at the centre, but at the local level as well.

The second proposal is for district leaders to be paid a salary by the central government, whereas until now they have been paid by local governments. This means the president's influence at the local level is bound to increase. The president has in the last few years created a number of new districts. He argues that this is intended to bring services closer to the people, but in fact it looks like an election strategy.

There are fears about these developments. The president also approved the reinstatement of monarchies in 1993 and kings were restored as cultural, not political leaders. As cultural leaders, kings are barred from participating in politics of any kind. One of the kingdoms restored was that of Buganda, the biggest and most influential. The kingdom has been demanding a federal status for itself. In the past the President has resisted these demands, but has found it increasingly difficult in recent times. So in addition to districts a regional tier has been proposed, with powers, responsibility and resources. The question now is what is going to be the relationship between the regional tier and the districts.

FS: Has the 1995 constitution been amended only with respect to the lifting of presidential term limits and not political party activity?

FGM: Other proposals are reclaiming powers over local governments and creating a regional tier. The issue of going multi-party is subject to a referendum.

FS: How many districts are there now?

FGM: 56 plus 20 new ones proposed.

MK: How have donor countries responded?

FGM: Relations between the Uganda government and donors are becoming more complicated. Since 1986, Uganda has been in the good books of the donors but in recent times donors have become worried about the direction the country is taking. For example, there is a great deal more corruption than was the case in the past. The UK has suspended a very small percentage of its aid, just to send a warning message.

### **South Africa (Professor Brij Maharaj)**

What is important to note is the government's rhetoric in arguing that local authorities are playing important role.

A challenge in South Africa is integration of the previously white local authorities and the previously black local authorities.

As in the case of Indonesia, recentralisation has been in progress under the guise of decentralisation in South Africa, where democratic transition has been largely technocratic. There is a view that this actually limits democratic participation. The elected representatives has been distrusted by policy makers at higher level and they attempt to ensure that elected representatives are accountable to policy makers of higher level rather than other way around.

There is a tension: on the one hand, addressing social inequality of the past, with big emphasis on service delivery. On the other hand a strong emphasis is placed on the deepening of democracy.

There are 1260 black and white local authorities in South Africa and they are to be merged into 840. This is a real challenge. Boundaries have to be re-drawn and this has always been a problem.

Other issue to be noted is the type of electoral system in South Africa. There are two forms of representations: elected representatives, which make up 40% of local authorities and proportional representation (PR). The PR representatives come from party lists and the problem is that they often put loyalty to party above loyalty to constituency.

The role of local leaders. Local governments are trying to coopt traditional leaders.

All of these changes are taking place within neo-liberal framework. There has been devolution of power but not devolution of resources. Local authorities are thus unable to address social problems. Partnership may be sought to address these issues but it often

works in such a way as to promote private interests rather than public. The revenues are not going into social project and the divide between the new elites / the middle class and the poor is getting wider.

The decisions made often have to be in line with the ANC's thinking, i.e. again accountability goes to political party rather than elected representatives.

There is a rise of new social movements, as people's response to the lack of delivery in social arena.

MK: About the resignation of Deputy President, Jacob Zuma.

BM: He was dismissed and will be prosecuted in relation with the corruption regarding arms deal. A thing to be noted is that he is Zulu.

HN: Are arms produced in South Africa, or imported?

BM: South Africa has high capacity to produce arms.

FS: On the one hand, the current situation is said to be that of recentralisation rather than decentralisation. On the other hand, South African government is apparently shifting its emphasis from redistribution to more neo-liberal mode of economic development. The relation between these two trends is quite puzzling. If one considers in such a way that neo-liberal type of economic growth is emphasised means government appreciate value of technocrats, more than emphasising the participation of people in decision making process, then a link may be drawn in between.

BM: One of the central tenets of the ANC has always been to control.

FGM: The difference between South Africa and Uganda. In Uganda, local government at village level is visibly present, with elected councillors, chairpersons etc. The absence of these in South Africa is striking. How do things work in a city like Durban? Do you see local government there?

BM: If one looks at the rural local government in the post-colonial South Africa, what is found is a tension between the traditional leaders and the new post colonial government. In the colonial era, some of the traditional leaders were coopted into colonial rulers. This has been a problem. In urban areas there are visible political structures.

HN: What kind of people are the 'new elites'?

BM: Indian, coloured and African, who are previously oppressed yet are now in the government or business, empowered by new democracy and thus have access to resource and power.

#### The future activities of Group 4 – what to do from now on.

1. A book in English – should take time to develop each chapter to reach a certain level,

through a series of discussions. The book will consist of an introductory chapter (with conceptual framework), cases of each country, and a conclusion. Need to allow 1-1.5 years to reach the final product.

2. Working Papers – to be posted on the website. Drafts of the book chapters, as well as some other papers, may be put on the web as working papers. Copyrights are retained by the authors, and they are free to be published elsewhere. Collecting working papers may be helpful for the preparation of the book.
3. Mini-Surveys – some other groups of LORC focus on education and training issues. Each country has slightly different system in educating civil servants, giving training to elected local leaders etc. What is important is that the ideas behind training need to be changed in order to tackle the new challenges, and a lot of training institutions are trying to modify their ways of teaching, their curricula etc. Each research member of Group 4 could probably organise, in their respective country, survey of: which institution do what; how and in what ways those training programmes have been changing or not changing; what kind of issues the curriculum designers are facing, etc. The survey does not have to be conducted by the members themselves – if someone appropriate to carry this out can be identified, LORC will fund the survey. The result of survey could be poured into the activities of the LORC working groups.

FGM: What about the time frame of the survey?

FS: It would be ideal if that could be completed in the next 3-4 months but does not have to be that quick.

KNH: If I understood it correctly, the survey of India has already been completed by Ms. Kato.

FS: Yes. Also JICA has been conducting similar kind of survey in Indonesia, and we have to consider how LORC can corroborate with that project, in order to avoid duplication.

DT: What exactly is the purpose and the expected outcome of the mini survey?

FS: In many countries, there has been a growing recognition that training needs to be changed but actually 'how' is a question. The purpose of the survey is to help clarifying the issues.

DT: Is it to focus on training for public sector?

FS: Not necessarily: public sector, NGOs etc., i.e. training for community leaders. It however does not aim to make an exhaustive list of training institutions. If some interesting cases could be identified, that would be useful.

FS: Apart from publications, there is another type of output conceived: that is an activity in

Sri Lanka in 2006 and 2007. It will be conducted based on the lessons learnt from the experience of different countries. LORC has not come up with very concrete plan of how to actually proceed with this but one way of doing this will possibly be to hold a conference towards the end of the project in Colombo, to synthesise our findings and apply some of them on the ground.

BM: It would be preferable that the schedule of the events is to be notified well in advance so that participants can be prepared.

KNH: It would be important to review the existing studies on Sri Lankan decentralisation.

HN: When project was conceived, it meant to be more practical than academic. We are hoping to possibly develop a training institution.

KNH: About the working papers – if the process of publication could be clarified a bit. And as for the book, there may be different approaches that can be taken, e.g. application of a framework in different practices, or bringing together the experiences of different countries not within a rigid framework.

FS: The book will hopefully be somewhere in between. Then it would be useful to have very specific experiences, struggles and issues.

DT: If the book is to be of comparative study, it will need to be issue based.

FS: The researchers here come from different background and the book will have to be more general, not to be focused on specific issues such as education, health etc.