

# **Towards Good Governance in South-Asia**



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*Edited by*

Juha Vartola

Ismo Lumijarvi

Mohammed Asaduzzaman



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# **Towards Good Governance in South-Asia : An Introduction**

**Juha Vartola  
Ismo Lumijärvi  
Mohammed Asaduzzaman**

Although the colonial rule has been ended in the mid of the twentieth century, its legacy continues in most of the post-colonial countries. The South Asia has a long colonial history. The British ruled Indian sub-continent for almost 200 years (1757-1947). The administration of South Asian countries is thus influenced by the British rule. The legacy of colonialism has been persistent and visible in the governance system of these countries. Consequently, the administrative and political systems of South Asia are incompatible with its indigenous social, economic, political and cultural contexts. It has been claimed that such contextless<sup>1</sup> nature of administration and governance has direct or indirect impact on the road to good governance and sustainable development in South Asia. This edited book is thus aimed to facilitate the contemporary debate of governance through highlighting its dilemma and proposing suitable platform for good governance in South Asia.

The term ‘Good Governance’ has occupied the central stage of sustainable development across the aid depending world during the last two decades and more. It is difficult to find any development plan, strategy or discussion which has not been merged and washed out with the flavour of good governance in the contemporary development debates. As a phenomenon, ‘good governance’ does not have straight forward definition though it has been expanding immensely. Various interpretations on the term ‘good governance’ are found in the contemporary development literatures. In general, it is associated with an effective and efficient public administration in a democratic framework. In short, good governance means citizen-friendly, citizen caring, responsive, decentralized local governance, an autonomous political society, an efficient and effective bureaucracy, strong civil society and a free media (Minocha 1998, Stowe 1992). Many argue that governance is good when it serves not just any public interest but

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<sup>1</sup> Contextless nature of administration is due to colonial origins, exogenous post-colonial reforms, and imitative structural and attitudinal changes (see for detailed Haque 1996).

that of the most poor and marginalized people in the society (Aminuzzaman 2006, 14). The World Bank identified the core characteristics of the term rather than giving its definition though they vary country to country. The characteristics are: political and bureaucratic accountability, freedom of media, freedom of information, rule of law, participation, transparency and strong civil society. However, it is clear that good governance as a term is still developing in terms of its definition, its ethical connotations and its usefulness (Kruiter 1996). Therefore, we suggest that its meaning cannot be confined in a specific time and country frame.

Asia, the largest continent is highly ambitious in implementing the notion of good governance in its region in general and particularly in South Asia during the last two decades. The poor and bad governance features are quite noticeable in many South Asian countries for many decades. It has been claimed that some parts of India have also been known with the features of poor governance. The absence of strong democratic institutions in these countries is due to lack of skilled and capable civil servants, bureaucratic and political elitism, massive corruption, non-accountability of public servants and politicians and in some cases regular direct and indirect military intervention into the democratic process.

As it is already mentioned that despite the end of direct colonial rule in the aid depending world in Asia and Africa, the colonial bureaucratic legacy continued not only in terms of administrative structure, function, classification, recruitment, socialization, norms and attitudes, but also in terms of adverse administrative features such as elitism, paternalism, despotism, secrecy, formalism, red tapism, aloofness and rigidity (Haque 1996). Many claimed that South Asian countries inherited an administrative system that had adequately and efficiently served the colonial master (Zafarullah and Huque 1998). Administration in these countries is thus, not suitable with the contemporary concepts governance and good governance which are mostly imported from the Western countries.

The South Asian nations such as Bangladesh, India, Nepal and Sri Lanka are diversified in terms of political, social and economic structures. Among these four South Asian countries, India is a federal state, while Bangladesh, Nepal and Sri Lanka are unitary (Zafarullah and Huque 1998). India popularly known as the largest democracy in the world has established a tradition of secular democracy despite its political culture is affected by caste and religious rivalry, Bangladesh

have experienced frequent direct and indirect military intervention since its independence and occasional democratic governance particularly since the 1991. Nepal, twisted by two powerhouses India and China, has a long history of hereditary monarchy with a recent transition towards democracy, while the tradition of democratic politics in Sri Lanka has increasingly moved toward an executive presidency based on centralized power (Haque 2003, 943).

However, compare to other developing nations, India and Sri Lanka are two of the oldest, experiencing the democracy across the developing world. In addition, all these four South Asian nations have moved to functioning and practicing democracies through relatively free and fair elections. Bangladesh has introduced a system of 'Care-taker Government' in 1996 in order to conduct free and fair parliamentary election in the country. It has been seen that relatively free media, strong role of civil society organizations and increasing role of non-profit organizations to poverty alleviation have paved the way to the sustainability of democratic process during the last two decades. Moreover, all these four countries have regularly introduced administrative or governance reform initiatives in order to institutionalize democracy, sustainable development and ensure good governance (Sobhan 1999). Despite all these positive changes, the quality of governance in these countries is not satisfactory. Instead the problem of governance has intensified during the last two decades and more in many cases.

With these scenarios we expect that the present edited book 'Towards Good Governance in South Asia' is a timely initiative and opportunity to highlighting the contemporary challenges of governance and good governance in four South Asian countries. Although few books on the issue have already been published during the last decade, we hope that our initiative will lead and continue to keep alive the discussion of good governance phenomenon in one hand and will contribute to the discourse of governance and public administration of the 21<sup>st</sup> century in large on the other. The students, researchers, development practitioners and who are interested in good governance discourse are expected to be benefitted more from this book. This volume is a regular outcome of our extensive research cooperation and collaboration between the Department of Management Studies of the University of Tampere, Finland and other Universities and research institutions in South Asia. Authors have contributed interesting papers

focusing the multidimensional aspects of governance and good governance in India, Bangladesh, Nepal, Sri Lanka and Philippine. The contributors have intensively identified the challenges of governance and proposed sound policy guidelines to the road of good governance and sustainable development in these countries.

We are grateful to the authors for their keen interest, cooperation and valuable contributions to this volume. We also acknowledge the cooperation of Jaana Haatainen, research associate in the Department of Management Studies at the different stages of this book. Our sincere thanks go to the Department of Management Studies for giving financial support in printing the book.

### **Contents of the book**

*Professor Salahuddin Aminuzzaman* very clearly and correctly examines the different dimensions of governance and development issues in Bangladesh. In the beginning of the paper, he presents a very clear theoretical frame of governance highlighting and interpreting the contemporary views including the donor's perspective. The author identifies the challenges of governance in Bangladesh concerning the five areas. They are: (i) the deteriorating law and order situation and failure of the justice sector to check crime and corruption; (ii) weak public administration; (iii) a regulatory environment that combines overly strict regulation in some sectors and inadequate or no regulation in others; (iv) inadequate national policy and resource commitments to decentralization and local government reform; and (v) the impact of intensifying partisan tensions on every dimension of life in Bangladesh. In addition, he critically examines the constraints of governance from various dimensions such as political, institutional, social and donor. Thus, in particular the contemporary challenges of governance and development in Bangladesh are: culture of confrontational politics, dysfunctional parliament, lack of professionalism in bureaucracy, the poor are least able to fend for themselves, lacking both the resources and the knowledge to assert their right and donors always dictate and control the governance reform through the aid memories. He concludes that the governance reform in Bangladesh needs a strategic approach considering some important issues such as; reform in political culture and leadership, fostering safeguarding institutions, addressing culture of impunity, reorientation of bureaucracy with new public management (NPM), installing a system of external monitoring and review, reforming public delivery system at local level, right to information and use of ICT in governance.

**Professor Ahmed Shafiqul Huque** has critically reviews the problems and prospects of good governance in Bangladesh in his paper. He rightly identifies the challenges lies with the contemporary governance in Bangladesh such as constitutional amendments, military intervention, conflicting political culture and alliances, electoral problems, politicization and businessization of military and civil bureaucracy and corruption. Professor Huque also acknowledges the recent development of governance such as the process of democratization through electoral reforms, enhanced scope of people's participation and decentralization, the role of non-partisan caretaker government, role of non-profit organizations in poverty alleviation, independence of judiciary, strengthening anti-corruption commission and the market and private sector development. In the conclusion, he precisely presents the challenge of good governance in Bangladesh in view of severe contrasts apparent in its social, economic and political settings. They are: 'the country is politically advanced in terms of high awareness of issues and participation, but a sophisticated political system remains a distant dream. Corruption erodes productivity, yet economic growth has been achieved through successive years. The society is reasonably free, yet it remains under strong military influence. Bangladesh's traditional society has shown impressive performance in promoting gender equality. In addition to the Prime Minister, Leader of the Opposition, and the Deputy Leader of the Parliament, three of the key ministries – Home Affairs, Agriculture, and Foreign Affairs – are headed by women. A state religion is enshrined in the constitution, but the people and society remain secular in spirit. Significant advancement was achieved in assisting the poor, but widespread poverty prevails. Finally, there has been huge growth in population, but the membership of Parliament is fixed at 300 since 1972. The number of seats reserved for women, however, was increased from 15 to 30 and eventually to 45'.

**Professor Samaratunge and Dr. Coghill** observe the prospects and challenges of integrated governance in South Asia in general and Sri Lanka in Particular. Initially they discuss the theoretical framework of integrated governance reviewing the emerging contemporary theories of governance. In this paper authors have given immense attention to the nature and characteristics of the various social actors participating in the governance process in Sri Lanka following the experience of the Tsunami period. The authors identified the major challenges of integrated governance in Sri Lanka as they are bureaucratic, lack of coordination within governmental units, inefficiencies in

administration and centralized decision making process. This paper concludes that achieving high levels of integrated governance requires a sustained effort by government, with the involvement of business and NGOs, to identify and address the specific structural and cultural barriers to effective implementation of integrated governance.

**Professor Habib Zafarullah** examines the importance of the disadvantaged social groups and their incorporation, influence and representation within the democratic institutions in developing nations in general and Bangladesh in particular. He states that the quality of any democracy or governance is reflected by the extent and magnitude of democratic inclusion inherent or intended for the system. In his paper, Professor Zafarullah precisely analyzes the ‘quota system’ which he calls ‘affirmative action’ in the civil service in Bangladesh and its challenges. The author found that although Bangladesh has been practicing affirmative action in the public sector for 36 years now but the program is still being tinkered with. No concrete policy was ever framed and basically *ad hocism* has endured the quota system. The results have been mixed as the civil service remains as unrepresentative as ever and continuously deviates from its main rationale that of achieving equality, equity and representativeness. Successive government failed to dig out the wrongs of the system and streamline it for its efficient working and for providing desired services to society. As affirmative action is quota-based rather than focused on numerical targets or timetables, as in many advanced countries, it creates more problems than it solves. This has made the system difficult to administer and has left it open to political and bureaucratic manipulation. He concludes that affirmative action, if it can be divorced from partisan political contrivance and mindless bureaucratic artifice, can remove the broader dimensions of social exclusion including the many forms of inequality and apartheid, and make the public bureaucracy more equitable, representative and participative—all hallmarks of democratic governance or good governance in Bangladesh.

**Professor Amita Singh** critically discusses the administrative reforms and the role of bureaucracy in implementing the administrative reform in India. In her paper she tries to look into a much ignored side of implementing reforms which deals with the trappings of a new, enthusiastic but a fairly less experienced political master heading the Ministry who is ill-advised, coaxed and obstructed by a pre-existing bureaucratic machinery to dilute deadlines, complicate financial

distribution amongst programmes, blunt speed and discourage political ambition. Professor Amita claims that bureaucracy in India is clueless and hence panicking about the implementation of the huge volume of past administrative reforms. Thus an anxious search for the right partners and then a strategy for monitoring partners is the biggest challenge being encountered by bureaucracy presently in India. In this paper she categorically states that bureaucracy in India continue to be the greatest obstacles to implementing administrative reform as it refuses to shed denounces its role as a 'ringmaster in the circus of reforms'. However, in the conclusion she suggests to methods of achieving a responsive, accountable and knowledge based governance in India. They are: the demand side of reforms should be made effective through the strengthening of Citizens' Charters and the supply side of implementation should be carry incentives for work through streamlining procedures in the performance appraisal systems for administrators.

*Professor Tek Nath Dhakal* rightly examines decentralization one of the leading issues of good governance with the special reference of introducing citizen charter in Nepal. The observations of this paper are based on the empirical findings. The author precisely covers some research questions in order to discover the grassroots reality of decentralized governance in Nepal. They are: What is the status of decentralization in Nepal? Do the local bodies like municipalities improve the service provision after introduction of citizen charter? Are people satisfied with local service provision? Do they register any marked improvement after the introduction of citizen charter? What are the major bottlenecks not for implementing the citizen charter effectively? The grassroots reality confirms that the introduction of citizen charter in the municipalities in Nepal found for helping the people. The citizen charter helped in understanding types and the nature of services that the municipalities provide to its citizens along with information on fees and service charges that are payable as well as lead time taken to complete a formality or provide requested service. In addition mass people took it as a positive departure from traditional mode of functioning where information was hard to come by and there was no way of knowing in advance about formalities and other requirements in connection with receiving municipal services. The author concludes that the citizen charter is a new scheme aiming to bring citizen centric governance in many organizations, the proper implementation would need some more time to bring into practice. The

scheme brings a new intervention at the traditional practice of service delivery mechanism in Nepal, however, full fledge implementation has not comfortably taken in the service delivery agents' part and also beneficiaries' part.

*Professor Juha Vartola, Professor Ismo Lumijärvi and Dr. M. Asaduzzaman* analyses how the decentralization policy in Bangladesh and Nepal has been followed in the perspective of NPM fashion reform and what challenges are there in practicing decentralization policy in these two culturally and geographically different countries? They have also presented a theoretical framework of decentralization and NPM in their paper. The authors observe that despite regular past attempts and reforms, the successive governments of both countries have relatively failed to practice the decentralization policy in their governance system due to confrontational political culture, the “winner take all” attitudes, patron-client relationship and political and bureaucratic ill will. As a result, independent, people oriented and empowered local governance has not been established in these countries in one hand, and the local people are still far from the benefits of decentralization and NPM on the other. The major challenges and obstacles that are identified have been developed in these two countries over centuries and cannot remove with the blink of an eye. Through interpreting and reinterpreting the contemporary literatures, authors suggested that an integrated and partnership form of local governance might help in order to practice decentralization policy effectively and efficiently in these two countries giving up the traditional let alone approach.

*Risako Ishii and DR. Farhad Hossain* precisely examine the linear relation between decentralisation, democracy, and people's participation in developing countries based on the ground realities from the Philippine. Through reviewing the contemporary literatures authors presented a clear theoretical picture of decentralization and people's participation. From the ground realities, they advocated that the impact of decentralisation on people's participation varies across local governments, because incentives both of local government and the citizens for participation differ depending on backgrounds, social construction and capacities of the local government and the society. Despite the theoretical limitations such as tokenism, citizens' attitudes, lack of representativeness and limited capacities of local government, it has been found that in the Philippines there are attempts of LGUs to involve their constituencies in local governance in a feasible and efficient manner. Finally, they conclude that provincial city governments try to cooperate with local NGOs to fulfill their gaps in

social service delivery, while highly urbanized city governments make efforts to enlarge public access to local governance rather than involve diversified civil organisations to a greater extent.

**Renuka Priyantha** observes in her paper the Multi-Level Governance (MLG) in terms of complex interrelationship between central government, other levels of political and administrative units and the civil society drawing particular attention to the general education policy in Sri Lanka. Despite the challenges of MLG, the author found that the cross-functional linkages at the different level of governance would enhance system wide efficiency and effectiveness in terms of achieving overall policy goals and envisage strengthening the good governance and fulfilling its aspirations. The author concludes that though attempts were made to shape the administrative structure more multilevel oriented, it should be more impressive to the public than the mere decentralization where politicians are still play a significant role in the policy process. If structural and functional arrangements to be succeeded in implementation, responsible authorities should learn from past failures and take necessary forward steps to overcome issues and constraints for future prospects.

**Professor Mohabbat Khan** very precisely describes the state of good governance in light of the past and present developments in administration and judiciary in Bangladesh. He emphasizes that since the role of the state has been changed, a collaborative relationship must evolve between the state, market and civil society premised on interdependence, steering and networking in order to ensure good governance. Professor Khan states that politicization of administration and judiciary, lack of accountability, lack of transparency, massive corruption and anti-poor criminal/civil justice have jeopardized the good governance in administration and judiciary in Bangladesh.

**Professor Shree Krishna Shrestha** observes the public service accessibility and delivery to the indigenous community in Nepal with special reference to the Santhal community, one of the highly marginally backward communities in Nepal. This is an empirical research. In his paper professor Shrestha intends to assess the perception of the members of Santhal community about the presence of government of Nepal in terms of their accessibility and availability of services extended by Government. Nepal is a multi-ethnic, multi-lingual and multi-religious country with diverse cultures. He states that though certain areas of Nepal are strongly associated with particular ethnic/caste groups, there is an extensive scattering of various ethnic/caste groups across the country. Author found that indigenous

nationalities fall behind the national average in terms of commonly accepted human development indicators in Nepal. He observed from the realities that Santhal community who are living in the mixed community and those who belong to higher economic status have opportunity to access the information and have greater opportunities to acquire the services extended by government. Finally he concludes that more efforts are required to mobilize marginalized groups so that they can articulate their demands and be brought into the development mainstream, ensuring their access to services.

*Professor Ishtiaq Jamil and Professor Pranab Kumar Pandey* discusses contemporary events in the political scene of Bangladesh that took place in the period from 2006 to the present. They divide this period into three crucial stages: i) the period prior to the taking over of the army backed care taker government on 11<sup>th</sup> January 2007 popularly termed 1/11. b) the period of the care taker government from January 2007 to December 2008, and c) the 9<sup>th</sup> parliamentary election held at the end of 2008 and its aftermath. The authors observed that in the midst of confrontational politics during later part of the 2006 when the country went into a situation of unrest, chaos, and political conflict, the people of Bangladesh welcomed the army backed care taker government. The care taker government through their strong stands against corruption and initiatives to reform in almost every sector received wide spread support of the general public. However, their popularity went down when they failed to control price hike of daily essential commodities. Despite their failure to control market prices, they stuck to their promise when they assumed power of holding the election and transferring power to a civilian government. Despite the landslide victory of AL led great alliance, authors emphasize four aspects that should be considered to fulfil the demands of the people of Bangladesh. They are: 1) they should not act as a single and only one party given the overwhelming majority, but rather should be open, accessible and transparent to new ideas even though they may be diametrically opposite; 2) they should and must not allow party members to take undue advantage of this absolute majority; 3) AL used some long term visions to guide voters such as “digital Bangladesh” in the election. Such visions must be clearly spelled out and acted upon because common people would like to see that the AL sticks to their promises; and 4) the bureaucracy must not be politicized by favouring some and punishing others.

*Shipra Bhatia* highlights the changing role of the Indian government and the direction and examines methodologies of reform

which are emerging as variants of new public management approach being introduced in some states, following popular trends in advanced market economies. She states that the public sector undertaking (PSUs) are vested with social, economic and commercial objectives. Clarity of the objectives is the first pre-requisite for PSU reforms. Efficiency for PSUs, need a holistic measure capable of assessing the social, economic and commercial objectives. There is a need to bring harmony between economic reforms and aspirations of common people. India's reforms clearly emphasize the importance of efficiency and effectiveness, reliance on explicit standards, greater competition and private sector styles of management. She also claims that there are attempts to reduce corruption and to address accountability issues but are far from those desired. Judiciary remains a weak link in the process and is not performing desired role in the transition to market economy. It is still based on conservative ideology of the independence era and along with the executive fostering a market based economy. However, she suggests that government to become more informed and active shareholders by simplifying the chain of accountability through centralizing or more effectively coordinating shareholding responsibilities within the state administration. It also seeks to reduce political interference in day-to-day management. It wants to empower boards by clarifying their mandates and respecting their independence. Lastly, strengthening internal controls and carrying out independent, external audits based on international standards should improve transparency.

*Professor Habibur Rahman* reveals the the role of State in local government reforms from a historical perspective in Bangladesh. Dr. Rahman precisely states that despite of a long historical tradition, popular agenda for reform during the last four decades and recent attempts by successive democratic governments, the institution still maintains antediluvian and puppet like existence administered through remote control mechanisms by a central state, having no basis in the productive or political forces at the grass root level. He concludes that the political and bureaucratic unwillingness, partisan political culture and winners-takes-all system are the major obstacles to the road of local governance reform in Bangladesh. Finally he concludes that the local government policy reform process is hazy and characterized by implicit action by lawmakers and political leaders.

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# Governance and Development Discourse in Bangladesh

## A Diagnostic Assessment of Challenges and Concerns

Salahuddin M. Aminuzzaman

### Introduction

During 1990s and onward Bangladesh has notably improved both its economic performance and human development indicators<sup>1</sup>. Even with a significantly reduced and declining dependence on foreign aid, economy appeared to begin a transition from stabilization to growth. However Bangladesh has also witnessed a paradoxical development—there is a growing concern regarding how could the economic growth with the falling scale in the conventional indicators of ‘governance’ and how the economic growth momentum could withstand the ‘weakening’ of the institutions of political governance (Ahluwalia and Mahmud, 2004). Based on the above premise this paper attempts to assess the overall governance scenario of Bangladesh and highlight some of the approaches to address the issues related to governance.

### Trends in Governance discourse

The literature on governance is considerable and expanding. There are three strands to this growing literature. The *first strand* has been on definitions and meanings, in particular what constitutes good governance. This strand postulate three major dimensions of good governance, namely, accountability, transparency and participation (Landell and Serageldin, 1992). These three aspects of governance were seen as basic to good governance because it means a) the governance structure has built-in mechanisms which ensure that politicians, civil servants, and service providers are accountable to citizens, people and customers for their action; b) their action is guided by clear, codified and transparent rules of conduct, and, c) citizens have sufficient scope for participation in decision making. The *second aspect* has focused on the conceptual and causal links between governance and development. The *third* approach deals with the indicators and measurement of governance. The most analytically

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<sup>1</sup> Since 2000, the growth of GDP was around 5 percent, population growth rate fell from 2.4 to 1.5 percent between the last two decades. Progress in human development indicators Bangladesh ranked among the top performers in the UNDP Human Development Index. Index of human poverty shows a decline from 63.1 in 1981-83 to 34.8 in 1998-2000. Head count poverty index has declined from 70 percent in early 70s to 50 percent in 2000.

comprehensive indicator set in this regard has been developed by researchers at the World Bank Institute (Kaufmann, Daniel, Aart Kraay and Pablo Zoido-Lobaton, 1999). These include: Voice and accountability, Political stability and absence of violence, Government effectiveness, Regulatory quality, Rule of law, and Control of corruption<sup>2</sup>.

Discussions of governance often generate more rhetorical heat than empirical light. Since early 1980s, Governance has emerged as a popular vocabulary of development literature; nevertheless, a consensus on definitions is elusive. Governance is defined as the “system of government concentrating on effective and accountable institutions, democratic principles and electoral process, representation and responsible structures of government, in order to ensure an open and legitimate relationship between the civil society and the state” (Halfani et.al, 1994:4). In general terms, Governance denotes 'how people are ruled, how the affairs of the state are administered and regulated as well as a nation's system of politics and how these function in relation to public administration and law" (Mills and Serageldin, 1991: 304).

Governance is also examined as “the manner in which power is exercised in the management of a country’s eco and social resources for development,” (World Bank 1992). Governance is assessed by researchers from a three dimensional perspective (Daniel Kaufmann, Aart Kraay and Pablo Zoido-Lobaton, 2000):

- a. the process by which governments is selected, held accountable, monitored, and replaced;
- b. the capacity of governments to manage resources efficiently and formulate, implement, and enforce sound policies and regulations; and,
- c. the extent of participation of the citizens in the affairs of the state.

Hyden (1992, 2007) elevates governance to an umbrella concept to define an approach to comparative politics. He summarizes five characteristics of Governance:

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<sup>2</sup> As such International development agencies claim that governance reforms can bring significant changes in political and economic growth and development. Kaufman (1999) examined the primary data for 150 countries and assessed the variability of the six sets of governance indicators: *voice and accountability, political stability and violence, governmental effectiveness, rule of law, regulatory mechanism, graft and corruption*. The findings of the study have shown that one standard deviation increase in any of the governance indicators causes between a two and a half percent increase in per capita incomes and four fold decreases in infant mortality and to a 15 to 25 percent increase in literacy. Improved governance also leads to significant increases in adult literacy, with a one-standard-deviation increase in governance leading to between a 15 and 25 percentage point improvement in literacy in the full sample of countries.

- is a conceptual approach that when fully elaborated can frame a competitive analysis of macro-politics.
- concerns ‘big’ questions of a ‘constitutional’ nature that establish the rules of political conduct.
- involves creative intervention by political actors to change structures that inhibit the expression of human potential.
- is a rational concept, emphasizing the nature of interactions between state and social actors, and among social actors themselves.
- refers to particular types of relationships among political actors: that is, those that are socially sanctioned rather than arbitrary.

Governance thus viewed as the sum of three major components of: *process, content and deliverables*. The process of governance includes factors such as transparency and accountability. Content includes values such as justice and equity. Governance cannot be all process and values. It must ensure that the citizens, especially the poorest, have the basic needs and have a life with dignity. A dictatorship that delivers basic needs to the citizens is no doubt better than a dictatorship that does not, but it is not good governance. Similarly, regular elections alone do not translate into ‘good governance’. It is only when all these three conditions are fulfilled that governance becomes ‘good governance’.

Within this broad conceptualization of good governance there are two distinct positions. The first, articulated by the World Bank, conceptualizes good governance as component management of a country’s resources and affairs in a manner that is open, transparent, accountable, equitable and responsive to people’s needs. Other argues that governance is ‘good’ when it serves not just any public interest but that of the most poor and marginalized people in society. Some of the definitions of governance are as follows:

#### **Governance as perceived by Development Agencies**

***The World Bank:*** The World Bank defines governance as ‘the manner in which power is exercised in management of countries economic and social resources for development’. Accordingly, the term governance includes public sector management, accountability, the legal framework, transparency and information. The World Bank’s views Good governance as epitomized by predictable, open and transparent policy making; a bureaucracy imbued with a professional ethos; an executive arm of government accountable for its actions; and a strong civil society participating in public affairs; and all behaving under the rule of law.

***Asian Development Bank (ADB): Four pillars of Governance*** Asian Development Bank defines the ‘four pillars of governance’ as follows: *Accountability* is the capacity to call officials to account for their actions. Effective accountability has two components: answerability and consequences, answerability is the requirement to respond periodically to questions concerning one’s official actions. *Transparency* entails low cost access to relevant information. Reliable and timely economic and financial information is a must for the public (normally through the filter of responsible media). *Predictability* results primarily from laws and regulations that are clear, known in advance and uniformly and effectively enforced. Lack of predictability makes it difficult for public officials to plan for the provision of services. *Participation* is needed to obtain reliable information and to serve as a reality check and watchdog for government action.

***The Economic and Social Council for Asia and the Pacific (ESCAP)*** provides another conceptualization of governance. It states that, ‘governance is the process of decision-making and the process by which decisions are implemented (or not implemented).’ It explains that governance can be applied to different contexts- corporate governance, international governance, national governance and local governance.

***European Union:*** In the context of a political and institutional environment that upholds human rights, democratic principles, and the rule of law, good governance is the transparent and accountable management of human, natural economic and financial resources for equitable and sustainable development. It entails clear decision-making procedures at the level of public authorities, transparent and accountable institutions, the primacy of law in managing and distributing resources, and capacity building for elaborating and implementing measures that aim to prevent and combat corruption.

***United Nations Development Programme (UNDP):*** Governance is the exercise of economic, political and administrative authority to manage a country’s affairs at all levels. It comprises mechanisms, processes, and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their legal obligations, and mediate their differences.

***Commission on Global Governance:*** Governance is the sum of the many ways individuals and institutions, public and private, manage their common affairs. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action may be taken. It includes formal instructions and regimes empowered to enforce compliance, as well as informal arrangements that people and institutions either have agreed to or perceive to be in their interest.

**Office of High Commissioner of Human Rights (OHCHR):** Governance is the process whereby public institutions conduct public affairs, manage public resources and guarantee the realization of human rights. Good governance accomplishes this in a manner essentially free of abuse and corruption, and with due regard for the rule of law. The test of ‘good’ governance is the degree to which it delivers on the promise of human rights: civil, cultural, economic, political and social rights. The key question is: are the institutions of governance effectively guaranteeing the right to health, adequate housing, sufficient food, quality education, fair justice and personal security?

#### Eight major characteristics of good governance

- Participatory in nature
- Consensual in orientation
- Accountable
- Transparent
- Responsive
- Effective and efficient
- Equitable and inclusive
- Rule of law

### ***Humane Governance***

In the 1990s yet another approach towards governance came into lime light under the brand name of *Humane Governance*. The chief protagonist of humane governance, Mahbub ul Haq argues that the “concept of good governance has so far failed to match the radicalism of the notion of human development” (Mahbub ul Haq et. al. 1999). Humane governance stresses on the state, civil society and the private sector to provide room for building capacities favorable for meeting the basic needs of all people, particularly women, children, and the poor ensuring sustainability of human development. Governance therefore calls for enhancing the scope for the common people to influence laws, and promoting their rights and privileges.

### **Critics on Donors Perspective on Governance**

Governance, however, both as a concept and intervention packages is advocated by a number of international, bilateral, and multilateral development agencies. Their conviction is derived from the proponents of New Institutional Economics who argue that: *prosperity comes from having efficient markets, efficient markets require low transaction costs, and good governance reforms lower transaction costs and in theory contribute to an efficient market economy.*

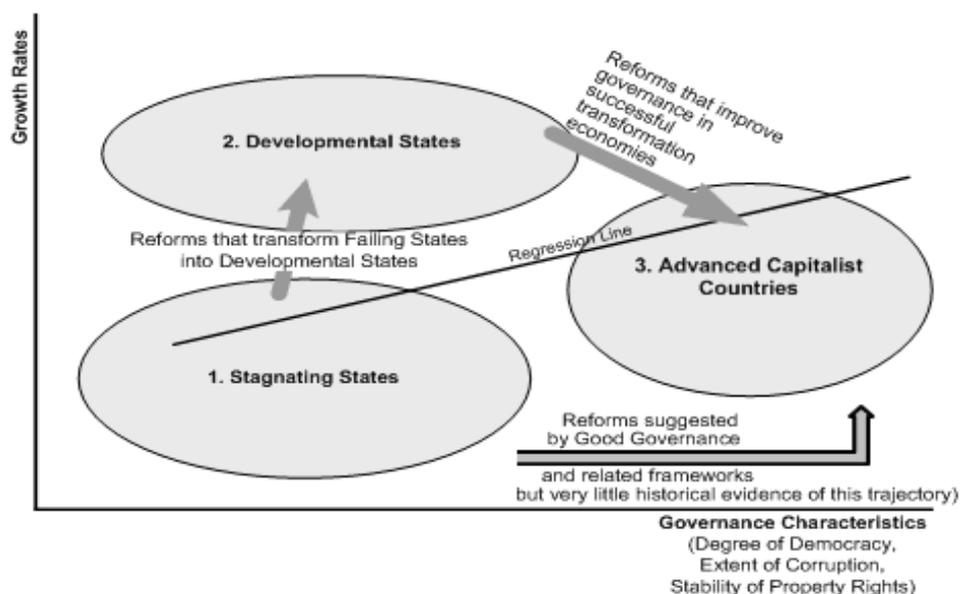
Some critics however contend that many of the governance agenda advocated by the donor agencies are based on a series of economic theories and models that are theoretically very weak, and more seriously, not supported by historical evidence. Mushtaq Khan an eminent scholar based at SOAS even challenged the basic premise of the donor driven governance reform agenda and argued that<sup>3</sup>:

From a developing country perspective, the many of the “good governance” agenda advocated by the Bretton Woods Institutions (like democracy, accountability, anti-corruption, rule of law and so on) are desirable on their own terms. It is based on a series of economic theories and models that are theoretically very weak, and more seriously, not supported by historical evidence. Many of the econometric results supporting good governance reforms are methodologically weak and often provide misleading results. What is most worrying is that none of the really successful high growth economies of the last fifty years achieved any success in good governance indicators before they became high-growth economies. In other words, the good governance agenda confuses means with ends, instruments with goals, and in so doing, takes our eyes off the really important governance reforms that need to be done in developing countries to accelerate economic and social development. Instead of trying to identify the critical governance capacities we require by looking at the really successful countries in Asia, the international governance agenda foists on developing countries a long series of governance reform tasks that may be impossible to achieve in poor countries. And even if progress could be made on some of these indicators, there is no evidence that this would significantly improve our growth and development prospects.

Khan further argued that none of the so-called newly emerged economic powers of East and South East in particular and the western developed countries have ever followed the trajectory of governance prescription of the international development agencies. He presents the following self- explanatory development model and maintains that governance theories fail to recognize the need and existence of a ‘developmental state’ for moving towards an advanced capitalist and stable state.

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<sup>3</sup> For detail see seminar paper entitled “The International Governance Agenda and Its Limitations for Development in Bangladesh” presented by Dr. Mushtaq H Khan, Professor of Economics, SOAS, University of London. Department of Development Studies, University of Dhaka, May 22<sup>nd</sup> 2006.



### Is the concept rightly defined? Reflection of Unheard voices

Recent studies in Bangladesh<sup>4</sup> also observed that governance process and mechanism as illustrated in conventional development literature do not necessarily address the needs and priorities of the poor, particularly the ultra poor, of rural Bangladesh. Formal definition of governance, as it suffers from intrinsic open-endedness, vagueness, and inherent lack of specificity, tend to generate a good deal of debate as to what is or should be its 'proper' meaning, approaches and ways and directions. The governance mapping exercise clearly reveals that all formal and institutional services are either missing or inaccessible to the ultra poor. Based on empirical findings, researchers argue that the needs and aspirations of the poor can only be addressed through a conceptual redesigning and understanding of 'responsive and humane governance'.

### Governance: Bangladesh perspective

Bangladesh is a country of paradoxes. It is a homogenous nation with a rich culture, yet it remains one of the poorest nations in the world. From 1990s onward, Bangladesh has considerably improved its economic performance and human development indicators<sup>5</sup>. The

<sup>4</sup> Salahuddin Aminuzzaman, Governance Mapping: Pro-poor Governance in Rural Bangladesh, in Governance and Development: Bangladesh and Regional Experiences. Dhaka: Sravan, 2006. Also see Sheik Tawfique M. Haque, Peoples' Perception of Good Governance in Bangladesh: Can it create another paradigm in Political and Administrative discourse? Unpublished Doctoral dissertation, University of Dhaka, 2007

<sup>5</sup> Since 2000, the growth of GDP was around 5 percent, population growth rate fell from 2.4 to 1.5 percent between the last two decades. Progress in human development

country has recorded noticeable success in health and family planning, non-formal education, micro-credit, women empowerment, agricultural growth and macro economic stability and management. Despite a turbulent international economic environment, Bangladesh economy showed some sign of stabilization and growth. However, all such achievements and track records of success have faded because of “poor governance” in the broader politico-administrative system and processes. There is a growing concern regarding how far the economic growth momentum can withstand a ‘weakening’ of the institutions of political governance (Ahluwalia and Mahmud, 2004).

### **Governance constraints: Areas of concern**

Governance constraints take a variety of forms but most observers agree that a broad spectrum of governance constraints have, in recent years, coalesced in five areas of particular concerns. These include: (i) the deteriorating law and order situation and failure of the justice sector to check crime and corruption; (ii) weak public administration; (iii) a regulatory environment that combines overly strict regulation in some sectors and inadequate or no regulation in others; (iv) inadequate national policy and resource commitments to decentralization and local government reform; and (v) the impact of intensifying partisan tensions on every dimension of life in Bangladesh.

### **Political Governance in Bangladesh**

Democracy as an institution is new and still in the ‘process of making’ in Bangladesh. Over the last three decades since her independence, Bangladesh has witnessed several political hiccups including the assassination of two presidents, two army coups and two major political movements, a very recently ‘silent support’ of the army in civil administration. All such developments took place because of the ‘failure’ of the political regimes to maintain and practice the basics of politics and governance. As a matter of fact, Bangladesh polity in the last thirty years oscillated between autocracy and pseudo- democratic rule.

### ***Culture of Confrontational Politics***

The elections of 1996, 2001 and 2008 were preceded by a long opposition boycott of Parliament<sup>6</sup>. The Opposition was engaged in

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indicators Bangladesh ranked among the top performers in the UNDP Human Development Index. Index of human poverty shows a decline from 63.1 in 1981-83 to 34.8 in 1998-2000. Head count poverty index has declined from 70 percent in early 70s to 50 percent in 2000.

<sup>6</sup> During the present parliament (8<sup>th</sup> Parliament) out of a total 226 workdays of the House, the major opposition party Awami League has so far participated only in 76 workdays, as it frequently boycotted the proceedings.

prolonged violent street agitation, causing considerable damage to the country's economy and its political system. Political culture in Bangladesh is characterized by confrontation and intolerance. One observer notes that "...given the recent political history of Bangladesh, the main question is ...how the political parties ...the winners and the non-winners ...will behave with one another. Will they cooperate and sit inside the parliament and give the nation a stable democracy? Or will they cry foul, claim that the voting was rigged, point accusing fingers at one another and refuse to accept the verdict of the people, bringing us all back to square one?(Editorial, *Daily Star*, June 30<sup>th</sup> 1996).

Political problems are supposed to be the root cause of poor governance in Bangladesh.

There are more than 100 political parties in Bangladesh but very few of them have definite ideology or programmes. Though one or two parties have some semblance of ideologies and programmes, the leaders often defy them for their own gain. Each major party is headed by a person who is omnipotent in the management of the party, including the formation of central and executive committees. The constitutions of most of the parties are absolutely monolithic in nature. The political parties are now considered a safe abode for criminals, terrorists, and extortionists. Moneyed people devoid of any leadership quality or connection with the people are given position in parties. During election time people who amassed wealth through whatever means are given preference to those who are dedicated to and committed to serve the people. The political system has been ruined by a new process of "*criminalization and commercialization*" of politics.

The dependence of political parties on muscle power leads to the criminalization of politics and increasing political violence. Furthermore, unhealthy competition between the major political parties leads to a highly politicized civil service manifesting in unsustainable reforms when power shifts from one party to the other. Political parties are also organisationally weak and poor agents of democratic transformation. Party programmes or ideologies seldom mobilise voters during elections. All major parties bank on populist approach of rhetoric, symbolism, and sentiments as the major instruments for mobilising voters. A favourite weapon to harass a sitting government is calling a *Hartal*<sup>7</sup>, a general strike which paralyses most economic activities, especially transport, sometimes for days.

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<sup>7</sup> Hartals can be described as temporary suspension of work in business premises, offices and educational institutions and movement of vehicular traffic nationally, regionally or

### *Dysfunctional Parliament*

Major characteristics of a strong legislature are virtually absent in Bangladesh and external political context has largely determined the mode of parliamentary performances in post 90s Bangladesh. Political intolerance, confrontational politics and 'winner-takes-all' attitude halted Bangladesh's advancement to the path of a sustained democratic culture. Parliament has unfortunately failed to deliver the key tasks of representation, legislation, oversight of the executive and conflict resolution and thus has contributed insignificantly in promoting good governance. Empirical evidences reveal that the parliament of Bangladesh has gradually degenerated into a mere instrument of regime maintenance and provides legitimacy to the ruling regime to govern.

The parliament is populated by MPs many of whom have allegedly made financial 'investment' in their nomination by their party, and in their subsequent election. Political criminals buy nominations for election to Parliament. Indeed, it appears that the wealth of candidates is a more important factor determining electoral nomination and success than local credibility, and their ability and willingness to represent the interests of constituents. Parliamentary discussions have not only lost its contents and essence, but also characterized by filthy languages, unparliamentary appellation and intemperate exchanges in parliamentary deliberations. Prolonged and periodic walkouts by opposition even on unnecessary grounds characterize the very vulnerability and low level of credibility of transactions of parliamentary sessions. Although the election manifestos of various parties made broad general statements concerning poor and poverty, ironically pro-poor issues did not receive due attention in the parliamentary discussions and debates. There were hardly any deliberations on making demand or suggesting changes in the policy or process or proposing new law/rules to address poor issues. A study further reveals that there is a conceptual confusion among MPs in understanding and or operationalizing pro-poor issues (Aminuzzaman, 2001).

The recent parliamentary elections in Bangladesh have recorded a very high rate of turn over (over 70 percent on average), research

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locally as a mark of protest against actual or perceived grievances called by a political party or parties or other demand groups. The main opposition party BAL with an aim to gear up antigovernment movement, enforced 41 hartals in 2004 alone. There were 827 days of Hartal during 1991 and 2002 and 147 days during the period of 2002-2004. The estimated figure shows that the average cost of Hartals to the economy during 1990s is 3 to 4 percent of GDP.

findings however remind us that “high levels of political participation and intense competition may not necessarily be signs of political maturity or the exercise of independent choice of the masses of the voters” (Aminuzzaman, Baldersheim and Jamil, 2001). An objective review of the role of parliament reveals the following striking features of political governance in Bangladesh:

- Though the Parliament is popularly elected by a free and fair election under the caretaker government, it is still far from being vibrant, effective and participatory.
- Attendance of the MPs to the parliamentary sessions has been alarmingly low and in many occasions the session had to be delayed due to lack of a quorum.
- Except the cursory discussion on budget, major policies and critical development issues had never been discussed in the parliament.
- The over all image of the parliament is poor because of the non-parliamentary attitude and deliberation of a section of the members of the parliament.

It is widely recognized that the prevailing state of confrontational politics is having an adverse effect on the state of governance thereby undermining Bangladesh’s development prospects. The political leadership, being captive to confrontational politics, has been unable to realize the full potential of Bangladesh’s development.

However, it is also to be noted that weakness in the structure of the electoral system breeds a political culture of mistrust and intolerance jeopardising the institutionalisation of democratic governance and vice versa. There is, unfortunately, no evidence that the exposure of Bangladesh to plural democracy has noticeably improved the quality of governance, accelerated development or indeed encouraged more equitable distribution of its benefits. Indeed, a more competitive political system has coincided with an increase in the importance of money and violence as instruments of electoral gain, the emergence of a highly confrontational parliamentary culture, and a progressive degeneration in the morality of the political system. Thus, the causal links between political arrangements, tenures in office and positive development outcomes remain unproven in Bangladesh (Sobhan, 1998).

### *Institutional factors/issues*

Public administration shows severe weaknesses and deficiencies, which have contributed to inefficiency, waste, low morale and corruption in

#### **Box 1: Governance and Institutional Issues in Bangladesh**

- *Declaration of governance reform agenda as policy lacks responsiveness* - usually tent to be ritualistic, symbolic, some of these policies are “a matter of too little, too late”. Reform agenda are mutually *inconsistent*.
- Reform agenda on Governance *lacks credibility* – These policy announcement announcements are seen with considerable skepticism – viewing them more as response to donor conditionality rather than as genuine political commitment to change.
- Lack of professionalism in bureaucracy. Significant reform agenda does not get priority in implementation (clustering of ministries, institutional capacity building of civil service, introduction of new public management techniques)
- Governance reform agenda tend to have poor conceptual understanding and *commitment* at the bureaucratic level
- Insufficient information or transparency, to enable the actions of ministers and civil servants to be scrutinized effectively;
- Widespread corruption, with bribes often required to do business or to obtain even basic services such as health care;
- Poorly performing institutions, which often offer little or no service, are an obstacle rather than an aid to development which act arbitrarily, especially in relation to the poor.
- Despite widening political participation, the lack of effective representation of the interests of the poor in the decision making process;
- Self-serving Fourth Estate – A section of media is owned by big corporate house and thus alleged self serving and ‘distorted and biased’.
- Politicization of institutions, professional bodies and civil society.

the public sector. It remains largely centralized and excessively reliant on hierarchy and multiple layers of decision-making. Human resource planning is hardly existent<sup>8</sup>. Incentives that encourage initiative and excellence are not available and a performance management system is still absent Training is neither linked to career planning, nor related to other dimensions of personnel management. Also, enforcing ethical standards and performance criteria has proven almost impossible. The

<sup>8</sup> Though there is a Career Planning Wing in the Ministry of Establishment, its role, function is not well defined. The activities of the wing are still not found visible and or effective.

system continues to provide unrestrained protection to its members and, because salary levels are very low compared to the private sector, rent seeking is almost considered a necessity for survival.

### **Social Dimensions of Governance in Bangladesh**

*Poverty is acute and persistent in Bangladesh.* There is mounting evidence that poverty is associated with poor governance. Since the poor lack the resources to give bribes, they do not get equal access to government services<sup>9</sup>.

*Women are more vulnerable in all form and measurement of poverty.* The burden of poverty falls disproportionately on women in the areas of nutritional intake, access to gainful employment, wage rate and access to maternal health care. Households dependent on female earners (20% of rural households) have a higher incidence of poverty than those dependent on male earners.

At both the national and local levels the *elite has achieved tight control over resources and opportunities distributed by the state and through the imperfect markets of the private sector.* To a large extent state resources have been allocated via patronage networks stretching down into the village, in which the locally sponger families have successfully maneuvered to occupy *khas* land and other resources via linkages to public officials.

*Poverty focused programmes could not emerge as an effective institutional approach to address the plight of the poor.* All major poverty alleviation programmes in Bangladesh are found to be loosely coordinated and lacked adequate institutional framework. Due to the lack of central coordination these programmes have been mostly sectoral in approaches.

The harsh impact of weak governance on the poor emerges clearly from a perception survey. (See the box.2 below). *The poor are least able to fend for themselves, lacking both the resources and the knowledge to assert their rights.* The instruments of governance are controlled by self-serving elite whose behaviour is reinforced by deep rooted social norms of dominance and subservience characteristics of patrimonial society.

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<sup>9</sup> UNDP's 1996, *Report on Human Development in Bangladesh: A Pro-Poor Agenda*, provides examples of this with reference to education, health services and relief and food aid.

### **Box 2: Unheard voices of the Poor**

Poor people have very low level of expectation from government. They perceive government as discriminatory, oppressive and biased. Government tend to favour the rich and powerful. Policies and programme of the government tend to further strengthen the powerful and the political elites. Poor does not have access to formal institutional borrowing and tend to look at the public administrative system as the 'exclusive domain of the rich and powerful'. At the local level, government is more political than service oriented. Public bureaucracy and the police are seen as the oppressive instrument of the rich and political elites.

*(Source: Salahuddin Aminuzzaman, Perception of Governance–The Unheard Voices, Dhaka 2001)*

### **Donor and Governance constraints**

An eminent researcher observed that “unfortunately no donor has anything like a consistent definition of governance which is at all conceptually robust. This has led to rather ad hoc approaches to governance for all sides which is undermining the credibility of the commitment of those agencies towards governance and democracy” (Rehman Sobhan, 1998:10). Thus failures of governance to a great extent have arisen because the state in Bangladesh has surrendered its policy autonomy to aid donors and its operational autonomy to special interest groups inside and outside the government.

The discourse on governance as yet lacks clarity as to its components and its dynamics; it has generated an element of eclecticism in the agenda of aid donors who introduce their own definitions of good governance in their attempts to prioritize its incorporation into their aid strategies. In this process of targeting governance a variety of themes / issues as transparency, accountability, decentralization, policy ownership and financial integrity etc are defined as key components of the process of good governance. Such itemized concerns have encouraged donors to invest in promoting reforms of the parliamentary system, the judiciary, public administration, the budgetary process, and to promote human rights, public advocacy, capacity building, measures for eliminating corruption, and decentralization etc. Unfortunately no satisfactory attempt has been made to link these concerns with positive development outcomes.

Questions have been raised about the seriousness of donors in prioritizing issues of governance. Donors are “concerned about their

sovereignty over their projects. Much of this desire to retain control over their aid derives from a bureaucratic imperative of keeping a hand on the project and ensuring that it conforms to the donor's policy priorities and standards" (Sobhan, 1998).

Findings of a study<sup>10</sup> on donor role on promotion of good governance in Bangladesh indicate that:

- Donors tend to dictate and control the governance reform and aid projects through the aid memoirs. In many cases the aid memoirs are treated as 'casting stone'. Ministries generally find it difficult to suggest changes or add new dimensions or focus. Sometimes due to donor pressure, discussion on the aid memoirs also becomes cursory and symbolic.
- Donors are equally bureaucratic and take considerable time to decide which affect, in particular, the design of multi donor supported programme projects.
- Donors send a number of feasibility team / appraisal missions with more or less the same agenda. These teams/missions take up a significant portion of quality time of the professional and senior staff of the ministries.
- In many cases, support from one donor is not synchronized with other donor(s) even though the broad project/programme goals are the same.
- International aid agencies behave with and treat national counter parts more as "donors" than "development partners". Too much pressure from donor agencies affects the issue of policy ownership as a critical ingredient for any move to promote better governance.
- In many cases, donor driven projects create parallel programme management structure to ensure immediate and visible results. Such structures are subsequently found to be non-sustainable in the context of regular administrative processes of government of Bangladesh.
- Donors tend use expatriate consultants with a facade of local participation added on. In many cases, these consultants offer naïve and premature ideas devoid of local socio and political reality.

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<sup>10</sup> Salahuddin Aminuzzaman *Government or Donor-Who sets the Governance Reform Agenda? A Critical Review of Bangladesh Experience*, Paper presented to NAPSIPAG International Conference on Public Administration and Governance at the Forefront of Change: Dimensions, Dynamics, Dysfunctions and Solutions, 5-7 December 2007, Manila, Philippines.

## **Governance Reform Interventions**

### ***Reform in political culture and leadership***

The role of political leadership in promoting or undermining the institution of democratic governance in societies is incontestable. Unfortunately, the track record of Bangladesh in this critical area of national development is not only spotty but in most instances retrogressive. In fact, many of the ‘democratic’ traditions and institutional processes have been manipulated by political leaders for their narrow gains jeopardizing the institutionalization of democracy and good governance.

Democratic governance has been overshadowed by the dictatorial impulses and practices of political leaders. It would not be a misrepresentation of history if one reaches the conclusion that successive governance systems have essentially opted for the rhetoric of democracy and the proxy of dictatorship in one form or the other. Political leaders have failed in charting out a visionary and sustainable strategy for institutionalizing and nurturing of democracy. Specific reforms that need immediate attention are:

- Reform in political parties registration/transparency/fund generation
- Reform in electoral process and nomination seeking
- Institutionalizing intra-party democracy

### ***Fostering safeguarding institutions***

Necessary reform, restructuring, strengthening, and modernization of certain crucial safeguarding institutions like Election Commission, Public Service Commission, and Anti Corruption Commission should be undertaken immediately. The Human Rights Commission should be capacitated and activated immediately. Strategic ring-fencing of such institutions can also be done by carefully handling the appointment to the top and significant positions of such bodies. Specifying and setting eligibility standards and enforcing them through a transparent and credible selection process are the key challenges. These institutions should be the torch-bearers of *ethics, accountability and integrity*.

### ***Addressing culture of impunity***

Over the last one decade, a new *culture of impunity* has taken a central place in the process of governance. A section of political elite and their commercial partners and sponsors were using parallel system of decision making, while ignoring the law of the land. A part of

bureaucracy either in coalition with or under compulsion from their political masters overlooked such illegal acts of the power yielder. Such manifested *culture of impunity* went to the extent of changing policy and important business decisions of the government. Some power elite like politicians, CBA leaders, a privileged section of bureaucracy (known as *our men*), and leaders of “informal power house” have been granted impunity to misgovern or misuse public resources and interfere in the institutional processes. This needs to be stopped immediately and permanently.

### ***Reorientation of bureaucracy with New Public Management (NPM)***

A strategy-driven comprehensive training strategy for a core group of civil servants can create a reform constituency within the bureaucracy itself and can ensure an internal pressure group to keep the reform process on path. New Public Management (NPM) seeks to improve quality by giving managers broad discretion in running their programs and holding them accountable for results to their respective hierarchy as well as to the clientele. The public administration system needs to be recast in the light of the philosophy and approaches of NPM framework. It is also imperative to examine and *scrap all rules and order* that throttle the voice and initiatives of public bureaucracy.

### ***Installing a system of external monitoring and review***

Governance, as it interfaces with the lives of citizens, is a dynamic phenomenon. Regular monitoring can bring to the fore dimensions of issues which are new and unfamiliar to the policy makers and stakeholders. It also helps the decision-makers to develop solution-centric agenda, identify road-blocks and develop innovative strategies. Such monitoring should not be the exclusive domain of the government, but needs the active involvement of autonomous research bodies, think tanks and civil society<sup>11</sup>. An external monitoring would help the government to make an objective assessment of governance and policy interventions.

### ***Reforming Public Delivery System at Local Level***

As the bulk of population live in rural areas, the quality of governance must not be judged by the glittering changes in the urban areas. The

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<sup>11</sup> The process has already been started. PPRC – a leading Think Tank local has recently done an excellent stock taking of the governance process and institutions in Bangladesh. For detail see *Unbundling Governance – Indices, Institutions, Process, Solution*, 2007. BRAC has carried out comprehensive survey on governance. CPD also undertakes regular review of various macro and micro economic issues having significant policy implications.

channel through which quality of governance for rural poor can be improved is by enhancing the processes of service delivery. Poverty reduction depends on improvements in the quality of and accessibility to poor people of basic education, health, water and other social and infrastructure services. At the grass roots levels of programme management, attempts should be made to: a. facilitate the access of the poor to resources; b. help the poor to strengthen the basis of their livelihoods; c. expand their knowledge base; d. help them exercise their social and political rights; e. invest in human capital to enable greater participation; and f. empower the poor through mobilizing their talents in community development projects. Recent pilot projects and experiences have produced a wide range of innovative ideas about how to improve service delivery through community engagement/participation in development planning and budget and, building partnerships with NGOs and the private sector. Promoting such a local governance approach while underscoring the pre-conditions for adequate resource transfer and administrative powers is likely to yield large dividends.

### ***Right to Information***

Within the authoritarian and bureaucratic institutional culture, freeing up information itself can act as a powerful driver for building accountability pressures and improving the governance process. The long-term goal to pursue here is to institutionalize and strengthen the newly formed Information Commission which can enshrine the freedom to information. In the short to medium term, however, a necessary focus has to be on developing relevant information-related services and delivery mechanisms such as community radio, information kiosks etc.

### ***IT and e- governance***

Information and Communication Technology (ICT)-led digital and web-based governance can add dynamism in reforming public administration, promoting good governance, and improving the mode of interaction between the state and citizens. Selected empirical evidences suggest that e-governance has the potential to facilitate the basic services like healthcare, education and communication in an innovative and effective ways to the poor and relatively disadvantaged rural community in Bangladesh.

### **Conclusion**

There appears to be no evidence that any government in Bangladesh has made strong political commitments to bring substantive reforms or

sought to build a political constituency behind such reforms. In Bangladesh, governance issues have been assessed and addressed more from a process and institution point of view. Politics and leadership as critical factors of governance did not get proper attention in such debate and discourse. Political system and process of government have been highlighted but role of political leaders, administrative elites, and bureaucracy remained in the back seat.

It will be impractical on our part to expect a major improvement in overall governance quality unless the political system (specially the party in power) is ready to accept, debate, and finally eradicate the entrenched imperfections in the system. In the absence of that, mere incremental and some cosmetic improvement of governance will continue because of the pressure from development partners.

Governance reform needs a *strategic approach*. At present what we observe in Bangladesh in the name of governance is a “wish list of expectation’ and sometimes heap of ‘rhetoric’, and not a comprehensive and strategic package of interventions. This is again loaded with fragmented list of donor- driven projects on governance reforms. Perhaps what we need is to have a comprehensive strategic package like PRSP to address the issues and concerns of governance. Let such strategic plan be made public and discussed at length with all stakeholders at various levels and be formalized as a national document.

Governance issues do not pop-up in the body polity all of a sudden. It evolves out of a process of administrative and political lax. Governance reform programme, therefore, should not be addressed through a mere ‘crash programme’ in a short time-frame. A crash programme, as evidence suggests, generates mistrust and both latent and expressed resistance. It needs to be addressed through a strategic approach and must be sequential, not necessarily overly ambitious (in terms of scope and time plan). It should be smooth and must not create panic, mistrust and instability in the political, administrative and economic systems. A quick solution approach may yield some immediate results but in the long run could be economically and politically counter- productive and may not be sustainable.

In early 2003, a Cabinet Committee on Administrative Reform and Good Governance was established, and a special “Good Governance Cell” was set up in the Cabinet Division. The public representatives, civil society, and media are, however, not aware of the role and function of the Cell. Some of the ministries also seem to be not fully

informed about the scope of the activities of the Cell. The Cell could be further strengthened by creating an appropriately empowered monitoring and leadership structure to push forward the *Governance Improvement Strategic Plan*.

The key ingredient for installing good governance is *political will*. It is indeed a challenging question: how to ensure or guarantee such political will. It is perhaps the most important challenge of the *safeguard institutions* to take a driving role in encouraging and, if need be, compelling the political leaders to announce and maintain such political will.

### **Agenda for Debate and further Research**

In order to get a comprehensive understanding about the development dynamics, some critical issues need to be better understood and conceptualized at the outset. There appears to be some “gap of understanding” and “ambiguity of conceptualization” on certain issues related to governance<sup>12</sup>. Following are two critical research questions (there could be more) that need to be objectively assessed and answered:

- There is unfortunately no evidence that the exposure of Bangladesh to plural democracy has noticeably improved the quality of governance. If so, what kind of participative democracy should Bangladesh look for?
- How do we explain Bangladesh’s success in some areas of economic and social development in spite of poor and deteriorating quality of governance?

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<sup>12</sup> For detail see *Report of the Workshop on Governance Issues in Bangladesh: Search for Research Agenda*, Department of Development Studies, University of Dhaka, and April 18<sup>th</sup> 2005.

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# Problems and Prospects of Good Governance in Bangladesh

Ahmed Shafiqul Huque

*The challenge for all societies is to create a system of governance that promotes, supports and sustains human development – especially for the poorest and most marginal. But the search for a clearly articulated concept of governance has just begun. (UNDP 1997)*

## **Governance: An Illusive Concept**

Governance has emerged as a keyword in public debates in Bangladesh. Citizens, analysts, political leaders, administrators, professionals and academics seem to suggest that the cause of all the problems facing the country is a lack of “good governance”, and the remedy is to establish it. The prescription is often put forward without a serious consideration of what good governance entails and involves. Generally, governance is viewed as a vague objective, under which the system works well, and problems are resolved without taxing the government. Interestingly, all the good intentions of the government and other groups have hardly led to the establishment of “good governance” in Bangladesh, but the enthusiasm for good governance has not been dampened. Can this really be achieved in a country like Bangladesh which is afflicted by numerous problems in almost all sectors of public life?

This chapter intends to examine the political and administrative structures used in governing Bangladesh, and identify the problems that appear to impede the progress toward good governance. In the process, it will be necessary to review the various concepts of governance, and assess its contribution to better and improved conditions in society. The case of Bangladesh will be explored with particular reference to social, historical, political and economic factors that have profound influence on the governing process. Finally, an attempt will be made to consider the prospects of establishing good governance in Bangladesh, and highlight the progress made in this area.

Governance has been defined in many ways, some in extremely broad terms and others more specific. Rhodes described governance as a “new process of governing” and “refers to self-organizing,

interorganizational networks characterized by interdependence, resource exchange, rules of the game and significant autonomy from the state” (1997, p. 15). The World Bank (1989) perceives governance as “the manner in which power is exercised in the management of a country’s economic and social resources for development”, and this definition highlights the appropriate use of authority attained through political exercise. The Asian Development Bank (1997) considers governance as “the traditions and institutions by which authority in a country is exercised for the common good”. According to these definitions, governance is a condition that is determined by traditions, practices or adaptations taking place in society, and there is not much scope for initiating it. All three efforts to conceptualize governance, although valuable, do not assist much with operationalizing the phenomenon.

Other studies have taken a more practical view of governance. Peters looks at governance as changes in the public sector that minimizes the role of formal governmental actors (2001, p. 31). According to Frischtak, governance denotes the overarching structure of political and economic institutions such as the principles, procedures, relationships and rules by which the total social, political and economic life of a society is governed (1994, p. 4). Kooiman describes governance as “the pattern or structure that emerges in a socio-political system as a common result or outcome of the interacting intervention efforts of all involved actors (1993, p. 258). There is some indication of conscious efforts in these perceptions of governance, and this is relevant because it is impossible to introduce changes and make them effective without a clear idea of the directions and destinations.

According to the OECD (1995), governance covers public administration and the institutions, methods and instruments of governing, and incorporates relationships between government and citizens and the role of the state. UNDP (1997) sees governance as the exercise of economic, political and administrative authority to manage a country’s affairs at all levels, and includes the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise legal rights, meet obligations and mediate differences. From another perspective, governance comprises the traditions, institutions and processes that determine how power is exercised, how citizens are given a voice, and how decisions are made on issues of public concern. Therefore, governance is “the interactions among structures, processes and traditions that determine how power and responsibilities are exercised, how decisions are taken, and how citizens and other stakeholders have their say” (Graham, Amos and

Plumptre 2003, p. ii). It highlights the process of stakeholders articulating their interests and decision-makers absorbing their input for arriving at decisions for which the latter can be held accountable.

It is pertinent to consider the reasons that have contributed to the ascent of governance at the top of the agenda of most governments. Generally, the problems faced by countries are either a function of internal weaknesses and inadequacies or external challenges beyond the capacity of the governments to control. A number of these problems come readily to mind. Many countries suffer from a confusion of objectives that may be related to ideological stands, instability or a lack of understanding of the needs of the nation. Developing countries suffer from some or all of the following problems – unstable political system, inadequate capacity to adapt to change, high incidence of corruption, lack of accountability, over-centralized control mechanisms, multi-layered management structures, dispersion of responsibility, overprotective and powerful bureaucracy, and failure to control public expenditure.

Often the concept of governance is considered in sector-specific terms, and the UNDP (1997) presented five variations. First, economic governance involves processes of decision-making that influence economic activities in a country and have strong impacts on societal issues such as equity, fight against poverty and quality of life. Secondly, political governance refers to the legitimacy and authority of decision-making and policy implementation that allows citizens to freely elect their representatives to oversee the legislative, executive and judicial organs of government, thus representing the interests of a pluralist unit. Thirdly, administrative governance is related to the systems of policy implementation carried out through an efficient, independent and accountable element in the public sector. Fourthly, systematic governance includes the structures and processes that guide political, social and economic relationships, protect cultural and religious beliefs and values, create and maintain an environment of health, freedom and security, and provide opportunities to exercise personal capabilities leading to a better life for the citizens. Finally, international governance addresses the pattern in which the community of nations across the world manages its affairs.

### **Bangladesh: Problems of Governance**

Bangladesh has a turbulent history as the country took shape in the shadow of British, and later, Pakistani colonial rule. The experiences have shaped the mindset of Bangladeshis and had profound impact on

the institutions, practices, and approaches to governing. Memories of British rule had not faded in the memory of leaders who led independent Bangladesh, since Pakistani control over the territory lasted only twenty-four years. Governing strategies toward the end of British period were aimed at dividing and ruling the two principal religious communities, sorting out differences over the transition of power, and entrenching commercial interests in what was soon to be the former colony of India. Efforts were concentrated on maintaining law and order as the sun set on this corner of the British Empire, and administrative processes were dominated by senior officials of the Indian Civil Service. As a natural consequence of colonial rule, development of political leadership capable of governing the country did not seem to feature in the plans of the British colonial rulers.

Soon after the departure of the British, the territory of East Pakistan (now Bangladesh) began to feel the aftershocks of a poorly executed plan for the partition of India. East and West Pakistan were separated by a thousand miles of foreign territory, and communal violence immediately after independence of India and Pakistan made relationships extremely bitter between the two countries. Rulers of the new state of Pakistan concentrated their efforts in dealing with the refugee problem and trying to establish a framework of governing that would be acceptable to people from both East and West Pakistan. Lack of local leadership forced the central government to appoint leaders who had no base in the East. Nine years of bickering over the drawing up of a constitution did not help and, following prolonged experience of Martial Law and regional disparity, Bangladesh was born following a liberation war.

The new state of Bangladesh had its share of difficulties and problems and good governance is still seen as a distant dream after thirty-eight years of existence as an independent state. Over these years, Bangladesh has witnessed fourteen amendments of the constitution, eight general elections, assassination of two Presidents, military intervention and Martial Law, and four instances of elections supervised by interim or non-partisan caretaker governments (NCG). In addition, corruption and overambitious institutions of the civil service and military posed considerable challenges to democratization. Except for the adoption of a system of holding elections under non-partisan caretaker governments, the combined impact of the other traumatic experiences have resulted in a number of problems in the way of establishing good governance in Bangladesh. An earlier study

identified some signs of progress toward good governance after Bangladesh returned to a parliamentary democratic form of government and witnessed two smooth transfer of power through elections held in 1991 and 1996 (Huque 1997). Unfortunately, single party dominance and a number of other factors did not allow the progress to sustain. In view of recent encouraging developments and two more general elections, the time is appropriate for taking stock of the progress attained in this area.

### *Constitutional Amendments*

The constitution of the People's Republic of Bangladesh was adopted in November 1972 after deliberations over a nine-month period. The process went smoothly because the constitution reflected the aspirations of the people, and the legislature was united in the wake of a successful liberation war. Almost all the members of the Constituent Assembly were elected from the same political party, Bangladesh Awami League. The amendments made over the next thirty-seven years were varied in nature. Some amendments were undertaken to assist with the operation of the government. For example, the first amendment ensured trial of war criminals and the fourteenth amendment increased the number of seats reserved for women in the Parliament to 45 from 30.

However, there were a number of contentious amendments that have pushed the political system into confusion. The second amendment empowered the government to declare a state of emergency and detain people without trial for up to six months. The fourth amendment replaced the parliamentary with a presidential system. Multi-party democracy was replaced by a single party. Power was concentrated in the office of the President, and fundamental rights were suspended. Soon afterwards, the government was removed from power by a military uprising and the Fifth Amendment validated a number of proclamations made by the military rulers. The fundamental principle of "secularism" was removed from the constitution and Bangladesh lost its secular character. Later, the eighth amendment declared Islam as the state religion of the country. In 1991, the twelfth amendment brought Bangladesh back to a parliamentary form of government, but retained the office of President as a titular head of state.

Interestingly, twelve amendments were effected in the first nineteen years of the existence of Bangladesh. "The objectives behind the amendments included perpetration of individual and party position,

legitimization of military intervention in politics, and tinkering with the political system for selfish ends” (Hakim and Huque 1995, p. 269). There have been no benefits from most of these amendments which have further weakened the political system and contributed to confusion among the citizens. Therefore, the leaders were unable to create strong support for constitutional rule by demonstrating their commitment to this important document that was expected to guide policies and actions.

### ***Military Intervention***

The military is a powerful institution in Bangladesh, and their position can be attributed to a number of factors. Bangladesh was born out of an armed struggle for liberation and the military was one of the key forces in that endeavour. Secondly, this institution has continuously received generous budgetary allocation both before and after the independence of Bangladesh. This has provided an opportunity to build a strong army of well-trained personnel with superior firepower. Thirdly, within a few years of achieving independence, the ruling groups became dependent on support from the armed services to help them continue in power.

There were two formal interventions by the military in the political history of Bangladesh in 1975 and 1982. Both interventions claimed the lives of Presidents and, in their aftermath, more violence took place, causing further loss of lives. A third and informal intervention was witnessed in 2007 after the provision of NCG was abused by the President who was reportedly forced by the military commanders to follow their instructions in governing Bangladesh. Military interventions led to the suspension of democratic institutions and practices and reinforcement of repressive measures. Civil rules and procedures were disregarded and military personnel infiltrated national institutions. They were appointed to key positions in the civil service, state-owned enterprises, and overseas missions of Bangladesh government (Khan 1984, p. 223).

Military interventions have resulted in several problems that obstructed the establishment of good governance in Bangladesh. There were disruptions to political development and democratization, and they had severely impeded the development of leadership. In addition, huge expenditures on military expansion and hardware had a negative impact on the economy, and critical services could not be provided. The worst impact was found in the legitimization of unconstitutional activities and obstructions to the operation of national institutions.

### *Parties, Conflicts and Alliances*

There are four prominent political parties in Bangladesh. All of them had opportunities to form governments, either on their own or in alliance with other political parties. Bangladesh Awami League (BAL) was in power during 1971-75 and 1996-2001. In 2008, BAL formed government in coalition with a number of other parties. Bangladesh Nationalist Party (BNP) was in office during 1979-82 and 1991-96. The party was in power in coalition with the Jamaat-i-Islami Bangladesh (JIB) during 2001-06. Jatiya Party (JP) governments ruled Bangladesh during 1986-1990. BAL is a mass party that is based on the values of democracy, nationalism and secularism. It has shifted from its earlier principle of socialism to mixed economy. BNP and JP were initiated by military rulers who assumed power after military intervention in politics. They sought to forge alliances with political leaders of all shades and persuasions, and ended up as coalitions of confused politicians. JIB recently changed its name to Bangladesh Jamaat-i-Islami with the objective of asserting its identity as a Bangladeshi political party, but has not made any change to its ideology and objectives. The party subscribes to Islamic fundamentalism and professes to work for the establishment of an Islamic state in Bangladesh. In national politics, BAL and BNP are the most influential and will probably remain so for years to come.

It is extremely difficult to distinguish the political parties on ideological bases. BAL, BNP and JP hold similar views on social and economic issues and adopt analogous programs in implementing policies. Yet, it is common for these parties to oppose and criticize policies adopted by one another. BAL strives to establish a distinction by emphasizing that they are the only party upholding the spirit of democracy and secularism, but they have not amended the constitution to eliminate the clause declaring a state religion. Party politics in Bangladesh is characterized by absolute intolerance of any opposition within or outside the organization.

Dynastic politics has taken deep root in Bangladesh, with two families providing leadership for BAL and BNP. JP, too, is not free from this tendency. The political parties neglect the normal activities expected of them, and their attention is concentrated on attacking each other and refusing to work together, while glorifying past and present heads of their organizations. Conflict among the political parties makes it impossible to promote good governance. Interestingly, BAL and

BNP strike alliances with political parties of any persuasion – even if they are ideologically incompatible – to keep the rivals out of power. A complete lack of regard for normal political processes and intolerance of competing parties appears to be the norm in Bangladesh. Political parties are led by the same personalities throughout their life and there is no scope for development of alternative leadership. Even defeat in several elections could not prompt the stepping down of leaders from the helm of political parties. The most unfortunate fact is that the voters have no choice to elect alternative leaders or parties, because the BAL and BNP have not allowed a competitive political party system to evolve.

### *Electoral Problems*

According to the constitution, parliamentary elections are scheduled to be held at five years intervals, but the first four parliaments were unable to serve their full terms. Not surprisingly, the absence of a sizeable opposition in the legislature contributed to the weakness of governments. Most of the parliaments were dominated by the government in power, either because there were very few members of the opposition present in the legislature. In most cases they decided not to participate in the proceedings and refused to attend sessions. Many of the amendments that have resulted in problems of governance were steamrolled through the Parliament on the strength of majority or in the absence of the opposition. This indicates the importance of an active opposition in the legislature to provide checks and balances that contributes to governance and allows the institution to operate effectively.

### **Electoral Performance of Major Political Parties**

YEAR	BAL	BNP	JP	JI-B
<b>1973</b>	292	-	-	-
<b>1979</b>	39	207	-	-
<b>1986</b>	76	-	153	-
<b>1988</b>	-	-	252	35
<b>1991</b>	88	139	35	18
<b>1996</b>	146	116	32	3
<b>2001</b>	62	215	14	18
<b>2008</b>	235	30	27	2

Intervention by the military and intransigence on the part of the government and political parties have disrupted political development. Allegations of election fraud have often been made by the parties who

lost at the polls, and the legitimacy of governments came under question. Every election was marred by allegations of use of force, violence, and fraud. These problems led to the demand, and support for, holding elections under non-partisan caretaker governments (see Nizam Ahmed 2004). This approach is not compatible with the principle of democracy because it indicates a lack of trust in the government of the day. By the same token, it can be said the incumbent governments were not perceived to fair and just by all parties, and it will be impossible to attain good governance under such conditions.

### ***Politicization and “Businessization”***

Politicization denotes the opposite of political neutrality in conducting the affairs of the state. When the system is politicized, decisions are made primarily on the basis of political considerations, and rewards are granted to the supporters of the party in power. In Bangladesh, successive regimes have placed supporters and allies in strategic administrative and other key state positions with the intention of advancing the interests of the party in power. Public officials may be sympathetic or inclined to believe in the ideologies of one political party or another, and they are entitled to their opinion. However, these considerations should not influence their decisions and actions in the performance of duties in the service of the state. Unfortunately, the two powerful institutions of bureaucracy and military in Bangladesh have been intensely politicized over the years.<sup>1</sup>

Following the fourth amendment of the constitution, a number of key civil and military officials joined the only political party that was allowed to operate in the country. This appeared to be an adoption of the strategy of the Communist Party in the Soviet model. Although the single-party experimentation did not last long, it seemed to have created the urge among senior officials to be publicly identified as supporters of the government in power. Governments, too, demonstrated their inclination to identify and reward supporters in the service of the republic. Consequently, every change in government is followed by replacement of serving senior civil and military officials with supporters of the government. These partisan officials play a key role in providing opportunities for favourable business and commerce to members and supporters of the ruling political party. There have been several instances of appointment of supporters as Chair and

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<sup>1</sup> For an example of politicization of one sector, see Zannat (2009). This article discusses the adverse affects of politicization of the health sector.

Members of statutory bodies such as the Election Commission and Public Service Commission, Governor of Bangladesh Bank, heads of universities, and important positions in state-owned banks and public corporations. Supporters, both from the public and private sectors, are also rewarded with diplomatic appointments in foreign missions of Bangladesh.

In the early years, membership of the Bangladesh legislature included professionals and most of them were associated with the legal profession. By the 1980s, two stints of military rule had contributed to noticeable changes in the political culture, and businessmen and bureaucrats became active in influencing political decisions. Businessmen, along with retired civil and military officials started to enter the political arena in large numbers. In the first election after returning the country to a parliamentary system in 1991, BNP nominated businesspeople in half of the constituencies, and BAL did the same in 1996. In 2001, 57 percent of BNP and 47 percent of BAL nominees were from the business sector (Rahman 2007). In 2008, 136 nominees of BAL and 157 of BNP were from the business profession. Fifty-three percent of the elected members from the BAL and sixty-nine percent from the BNP “indicated business as their profession” (Majumdar 2009).

The election of businessmen in large numbers as members of the legislature has had an adverse effect on good governance in Bangladesh. Many of these members still consider their business interests and activities to be their first priority and neglect their duties in the legislature. All efforts of the party whips to ensure the presence of the required number of members have remained unsuccessful, and some sessions had to be aborted due to a lack of quorum. The pursuit of their business interests may also prompt the legislators to take decisions that may not always be in the best interest of the country and its citizens.

Politicization and ‘businessization’ have impacted negatively on the prospect of good governance in Bangladesh. The combined outcome has been a loss of neutrality on the part of the state and its institutions. These trends have encouraged deviant behaviour in the form of over- or under-application of rules and regulations to help or hinder supporters and non-supporters. The overall effect on morale has been adverse, while accountability could not be ensured. The persistence of these features has resulted in a decline in efficiency and capability as well as other values associated with good governance.

### ***Rent Seeking Behaviour***

Corruption is caused by many factors, the most prominent being market or policy inadequacy. Rent seeking behaviour is encouraged by imbalance in control over authority and resources in an imperfect system. Generally, the incidence of corruption is directly correlated to influence and protection of powerful actors and opportunity to use power deliberately for personal or parochial gains (See Ahmad n.d.). It can be said that widespread corruption and lack of means and mechanisms for detecting and imposing penalties reflect the absence of political will to deal with this serious problem in the way of good governance.

Corruption takes place in many forms, and Zafarullah and Siddiquee identified four common types. Pilferage and larceny are committed through misappropriation of power, and unauthorized delivery and usage of gas and water in collusion between consumers and employees of the utility providers. By paying bribes to the employees who are in charge of billing, consumers are able to have the amount to be paid reduced to a nominal amount. The providers cannot collect the amount due to these illegal arrangements. Responsibility lapses take the form of negligence of duties, late arrival to and, early departure from, the workplace, and going on unauthorized leave. Bureaucratic intemperance is reflected in administrative excesses, arbitrary decisions, and harassment of clients. Finally, patronage allows award of contracts and benefits to family and friends, as well as clients in exchange for graft (Zafarullah and Siddiquee 2001).

Electoral corruption has widespread impact since it affects the base of legitimacy and weakens the system of governance. A number of unethical behaviour can be detected. Seeking nomination by donating substantial amounts of money to the party coffers is becoming common, and the increasing number of rich businessmen getting nominated and elected is a consequence of such behaviour. It is seriously impeding development of leadership, and limiting the prospect of circulation of leaders. Illegally obtained undeclared income is used to finance election campaigns, buy votes, and also to threaten electors and use violent means to intimidate and eliminate rival candidates. Vote rigging, election fraud whereby ballots are stuffed in favour of preferred candidates and capture of polling stations are regularly reported upon and administrative agencies are often accused of playing dubious roles (Akhter 2001). Occasionally, parties in power

try to consolidate their strength in the legislature by offering cabinet positions to members of the opposition who cross floor and join the government.

Corruption and rent seeking behaviour incur huge costs and inconvenience. Resources are wasted, revenue is not collected and essential services are either not provided or become suspended. These practices divert resources away from projects that could benefit the citizens. Government activities cannot be conducted on the basis of clearly stated methods, and results in the breakdown of procedures and norms. Citizens lose trust in the competence and fairness of the system, and seek ways to obtain essential services through irregular means. A worrying fact is that it contributes to the degeneration of moral values. Standards of morality in Bangladesh have shifted and affected law and order and other aspects of life, and this is not conducive to good governance.

### *Summary of Problems*

The abovementioned factors have combined to create major obstacles to the achievement of good governance in Bangladesh. Frequent changes of government, intermittent military rule, and oscillation between parliamentary and presidential forms of government have injected instability into the political system. The capacity of the national institutions has not been enhanced to undertake this critical task. Occasional attempts at democratization were thwarted by overambitious plans, and the government of this disaster prone country was overwhelmed by crises and more pressing issues.<sup>132</sup> The situation was made worse due to conflicting priorities determined by the national government and its development partners and donors in the international community.

Democracy has faltered in Bangladesh with unconstitutional and illegitimate grabbing of state power, manipulation of elections and non-acceptance of their results, and ineffective opposition to check the operation of governments. The scope for participation in public affairs is severely limited due to difficulties in enrolling as voters and exercising franchise and a lack of facilities to express opinion freely. Governments have remained unresponsive to the needs and demands

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<sup>2 13</sup>It is well known that Bangladesh is frequently hit by natural disasters such as floods and cyclones. The country also lies in a high earthquake risk zone. Besides, there are man made disasters such as military intervention and unethical hoarding of food grain that contribute to human suffering.

for public services, while diverting funds to reward supporters of groups in power.

Political and bureaucratic culture in Bangladesh is not conducive to good governance. In addition to the tendency to establish dynasties that are monopolizing political leadership for decades, an authoritarian approach has prevented the nurturing of democratic principles and practices. Administrative agencies rely excessively on hierarchies and procedures, and a complex and non-transparent approach to decision-making renders it extremely difficult for the citizens to comprehend and participate in the process. Finally, a complete breakdown in trust among citizens and the government, political parties, public service providers and recipients, and national institutions presents an almost insurmountable impediment to the establishment of good governance in Bangladesh.

### **Bangladesh: Prospects of Good Governance**

The Institute of Governance lists five good governance principles of legitimacy and voice, direction, performance, accountability, and fairness (Graham, Amos and Plumptre 2003). These principles are derived from a longer list developed by the UNDP. They include participation and consensus orientation; strategic vision; responsiveness of institutions and processes to stakeholders; effectiveness and efficiency; accountability to the public and institutional stakeholders; transparency, and equity and rule of law. It involves multiple participants in which the state is at the centre, but the private sector, civil society and market constitute vital partners. Activities of the state create a facilitative legal and political environment, while the private sector generates employment and income, influences public policies, and assists with the establishment of a favourable environment for markets and enterprises. Civil society serves as a critical bridge between the state and individuals and facilitates political and social interaction by mobilizing groups to participate in public affairs (UNDP 1997).

To be fair, it should be mentioned that attention to governance is a recent development in Bangladesh and it is perhaps too early to assess the achievements in this area. However, it is possible to identify signs of progress that are becoming evident in changes in the political and social system. The process of democratization through electoral reforms, enhanced scope for participation and decentralization, streamlining accountability and efficiency through administrative

reforms, combating corruption, proliferation of non-governmental organizations, and development of the private sector and market hold the potentials for facilitating the establishment of good governance over the course of time.

### *Democratization*

Democracy is the most preferred ideology across the world, and has the maximum potential for providing benefits to the citizens of a country. A democratic system is based on the foundations of rule of law, protection of liberties, guarantee of free speech, facilities for association and dissemination of information, free and fair elections for choosing the governing authority, respect for the results of elections by all sections of the society, and commitment to democratic principles and practices. Most of these values feature prominently in good governance.

Bangladesh has demonstrated preference for democratic principles in a number of ways. The country has a long tradition of community involvement through local government and one of the main reasons for the struggle to separate from Pakistan was equitable representation in the national institutions. A democratic constitution was adopted and regular elections held. The citizens have strongly opposed military rule and were able to overthrow military rule through mass movements.

Schaeffer noted several strengths in Bangladesh's efforts toward democratization. Political parties provide stability in electoral politics. The two major parties of Bangladesh are firmly-rooted and well-organized and have large groups of core supporters. Voter turnout has increased from a range of 51-60 percent during 1973-1991 to 75 percent during 1996-2001 (Schaeffer 2002). The citizens seem to have acted in response to their unhappy experience with military-led authoritarian regimes. The military commanders, on their part, have realized the fact that unconstitutional capture of power is unacceptable to the international community and appeared reluctant to intervene during the past two decades.

Moreover, there is an emerging tendency to manage political conflicts through constitutional means. Soon after the elections in 2008, the government led by BAL appointed members from the opposition political parties to important committees of the Parliament. In addition, there has been a marked increase in the area of international monitoring. Donors and other international organizations are actively

engaged in observing elections, monitoring human rights, and offering to mediate in cases of conflict between the government and political parties in opposition.

### ***Non-Partisan Caretaker Government (NCG)***

The measure of appointing a non-political caretaker interim government was initiated after the fall of the military dictator to prepare grounds for transfer of power. The objective was to overcome the problem of lack of trust between competing political parties. It was described as an administrative rather than political government (Zafarullah and Akhter 2001). The NCG is headed by a neutral Chief Adviser, who works with a group of ten Advisers to perform regular administrative functions. Their main task, however, is to hold corruption-free and peaceful national elections and hand over power to elected government within ninety days of assuming office.

Initially, the concept of NCG was hailed as an innovative idea to deal with the political distrust and severe rivalry among the political parties and help ensure good governance in Bangladesh. But the hostile political environment soon overwhelmed this experiment, and actions of the NCG have been questioned and criticized by the parties who lost elections under their watch. Besides, it is extremely difficult to find neutral Advisers in a society which is intensely politicized, and the process of searching for Chief Advisers and Advisers have been arduous. There are also reasons to be wary of the disruption and risk of undermining the normal political process. Handing over power to a non-elected group of advisers, many of whom may not have experienced running a national government creates more risks. This arrangement does not really help with improving confidence in the electoral process. Nevertheless, the NCG can be viewed as an element that has the potential of enhancing the quality of governance by streamlining democratic practices in Bangladesh.

### ***Electoral Reforms***

Elections and their outcome have been one of the key issues of contention in Bangladesh politics for decades. The Election Commission (EC) is an independent statutory body that has the authority to prepare for and conduct elections and declare results. Due to the nature of political environment in Bangladesh, the EC has not been able to disregard pressures from the government. At present, the Chief Election Commissioner and Election Commissioners are all for

members of the bureaucracy. The system of appointment and qualifications for serving in the EC needs to be reconsidered in order to make them more effective.

In recent years, there has been progress in streamlining the electoral process. Identity cards with pictures and details of voters were issued before the elections held in 2008. The Commission developed a code of conduct for candidates contesting the elections, and served notices on those who did not comply with them. Some of the steps taken by the EC have the potential to lead to substantial improvements in the electoral and political party systems. Registration of political parties, previously voluntary, has been made mandatory. The current EC is also encouraging political parties to undertake reforms, hold regular councils to elect leaders and committees, and ensure transparency through effective audits of party finances. These steps have the potential to enhance the framework of good governance in Bangladesh.

### ***Participation and Decentralization***

Popular participation in public affairs is facilitated through a network of local government institutions at the district, metropolitan, city, union and village levels. Elections to positions in these bodies draw large number of candidates and voters. Although these elections are contested on a non-partisan basis, the inclination and support of the candidates for the political parties of their choice are known to the voters. Unfortunately, the elections to local government and national institutions are not always held according to schedule.

Bangladesh has been served by grassroots level community organizations for a long time. During colonial rule, these local organizations assisted citizens through networks of philanthropy and social units. The government undertook a programme of massive decentralization in the 1980s and established village-based local councils to link remote communities to the state. In the following years, elections at the sub-district and municipal levels have helped with leadership development and eventually some of those leaders have become involved in national politics. There is ample scope for expanding the range of participation and decentralization and steps have been taken in the right direction for enhancing governance in Bangladesh.

### ***Administrative Accountability***

Almost all analysts identify accountability as one of the cornerstones of good governance. Brinkerhoff lists transparency, responsiveness and

accountability as its core components (2006, p. 270). The administrative system of Bangladesh is strictly hierarchical in nature and has not changed much over the transition from a colonial milieu to the environment of an independent state. A number of reforms were initiated by both civilian and military governments, but the objectives were not fully achieved. Similarly, efforts at enhancing efficiency were restricted to examination and identification of problems, and were not followed up with measures to remedy them. Accountability featured prominently in the report of the Public Administration Reform Commission (1997), a study initiated by the World Bank (1996), and the Public Administration Sector Study conducted by the United Nations Development Programme (1993).

It is heartening to note that there is awareness of the need to develop a consumer culture in the public services. Repeated calls from politicians and analysts for professionalizing the Public Service Commission may have an impact in strengthening the role of this critical agency. A coordinated approach to training officials in the public services through the national Public Administration Training Centre and the creation of the Regulatory Reform Commission are indications that the value of accountability is being recognized by administrative officials in Bangladesh.

### ***Combating Corruption***

The incidence of corruption is at an alarmingly high level in Bangladesh and is one of the main impediments to good governance. There is a plethora of rules, regulations and acts for conducting the tasks of public administration in Bangladesh in accordance with legal and ethical values and the laws of the land. *The Bangladesh Anti-Corruption Act, 1974* and *Prevention of Corruption Act, 1974* were the principal tools in the hands of the Bureau of Anti-Corruption (BAC) in preventing bribery and other forms of corruption. Two other instruments in force were *The Government Servants (Conduct) Rules, 1979* and *Government Servants (Discipline and Appeal) Rules, 1986*. These rules allowed actions against public servants on grounds of inefficiency, misconduct, desertion, corruption, deviant behaviour, and anti-state activities.

It soon became evident that the BAC, a unit of the public bureaucracy, was made ineffective by procedural constraints. A major problem was the requirement of obtaining approval from the Prime Minister's Office to initiate investigation on grounds of corruption, and

it was not granted if the subject of investigation belonged to the political party led by the Prime Minister.<sup>3</sup> BAC had limited power and could not prosecute offenders. Moreover, officials of the BAC were accused of corruption as they extorted money from citizens by using the threat of initiating investigations against them.

Prospects of combating corruption and promoting good governance have improved with the replacement of the BAC with an independent and more powerful Anti-Corruption Commission (ACC) in 2004. This Commission is expected to be free from political control and empowered to arrest public servants on charges of corruption without having to obtain permission from the government. Furthermore, the government will not be able to withdraw cases lodged by the ACC.

Unfortunately, the appointment of the first Chair and Members of the ACC was influenced by political considerations and it was not surprising that it failed to live up to its expectations. After the end of tenure of the BNP government, NCG assumed charge and continued far beyond its designated time frame of ninety days. During this period, the ACC became very effective. Many cases of corruption were lodged and a large number of politicians, bureaucrats and businesspeople were arrested and charged with corruption. Several of them were convicted and handed down sentences of prison terms and financial penalties. Since the elections of 2008 and a return to normal parliamentary government, several of these cases were quashed. Nevertheless, the ACC performed impressively by imprisoning large numbers of powerful from all the political parties who were widely perceived as corrupt. The potential of ensuring rule of law is encouraging, and Bangladesh's standing improved remarkably in Transparency International's "corruption perception index in 2009."<sup>4</sup>

Along with the identification and prosecution of corrupt politicians, bureaucrats and business personalities, the ACC initiated a social movement against corruption in 2007. Meetings, rallies and discussions were held across the country to mobilize public opinion and develop social resistance to corruption. These activities targeted the young

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<sup>3</sup> Since 1991, the positions of party chief and Prime Minister have been held by the same individual. Khaleda Zia was Prime Minister and Chair of BNP during 1991-96 and 2001-2006. Sheikh Hasina held the position of Prime Minister and Chair of BAL during 1996-2001 and 2008-present.

<sup>4</sup> Bangladesh was ranked last (91 out of 91 countries) in the Corruption Perception Index published by Transparency International in 2001. In the list published in 2009, Bangladesh's position has risen to 139 out of 180 countries ([www.http://transparency.org/policy\\_research/surveys\\_indices/cpi](http://transparency.org/policy_research/surveys_indices/cpi)).

generation to take the lead in combating corruption and received support from the Bangladesh chapter of Transparency International and some non-governmental organizations.

### ***Non-Governmental Organizations and Civil Society***

NGOs are non-partisan private bodies that are initiated by individuals or groups. They undertake development or social work voluntarily and aim at improving conditions of living for target groups. In developing countries, NGOs are generally involved in providing assistance to the underprivileged, disaster relief, employment generation, poverty alleviation, skill development, awareness and conscientization, and empowerment of specific groups in society.

Civil society is comprised of autonomous groups and associations as well as social institutions and organizations through which citizens are able to pursue their interest independent from the influence of governments. Membership of civil society is generally drawn from various professions and sections of society. Civil society helps to articulate interests of the citizens and help them express views and participate in public affairs. In the process, they can influence views held in the society and communicate information to the government in a more organized fashion. Most importantly, the actions and support of civil society can contribute to the legitimacy of the government.

NGOs have contributed to relief and rehabilitation programmes and worked toward the organization of disenfranchised groups in Bangladesh. There has been remarkable progress in the areas of micro-credit and finance, and large numbers of hitherto excluded groups have been brought within the network of national economy. Programmes of skills training and credit provision hold promise for their potential of participation in public space. Continuous inflow of aid money has contributed to the proliferation of NGOs in Bangladesh. The contribution of these organizations to the development of a secular lifestyle must be recognized, although programmes of gender equality and facilitation of women's participation in the economy have placed the NGOs in conflict with fundamental religious groups (Feldman 2001, p. 220). Gauri and Galef reported that NGOs in Bangladesh are organizationally sophisticated and are involved in service delivery in the areas of credit, health care and sanitation (2005 p. 2064). The civil society in Bangladesh is still mainly concentrated in the capital, but the small size and homogenous population and an efficient network of

communications have helped make an impact on the entire country. The movement of ideas from the urban centre to rural areas can be a significant factor in promoting good governance.

### ***Market and Private Sector Development***

Immediately after independence, several industries were abandoned by Pakistani owners who left Bangladesh. Later, ideological confusion and unclear ideas about the role of the state led to nationalization of more industries and private enterprises. Poor performance of these enterprises as well as a change in the ideology of government reversed the trend. In the mid-1980s, a policy of de-nationalization and privatization was adopted and two agencies (Privatization Commission and Board of Investment) were created to facilitate the process and attract investors to Bangladesh. A revised industrial policy in 1986 further liberalized the regime and emphasis shifted to foreign direct investment. The approach has not changed over the past two decades, but increased awareness of environmental and labour issues locally and internationally has made the government more cautious, as there is pressure to ensure compliance (Mondal 2000).

Bangladesh has made progress in rolling back the state and facilitating development of the private sector. The business sector regularly interacts with the government in their efforts to provide input in the formulation of public policy, and several leading business personalities are involved in various capacities in advising the government. The progress is modest so far, but the potential of good governance will be enhanced if the government can adhere to the course.

### **Assessing Progress**

There are numerous criteria for assessing progress in the efforts to establish good governance. In the case of Bangladesh, a number of developments can be identified. There is a general awareness of the critical issues that affect the citizens and highlight the need for change. This is a consequence of higher rate of literacy and exposure to modern ideas as governance takes hold in a number of countries across the world including Asia. The capacity for articulation of views, sentiments, demands and expectations has increased due to efforts of NGOs and other stakeholders to provide channels, venues and facilities. There has been rapid and substantial growth in the number of media outlets – both print and electronic – and they play a significant

role in drawing attention to issues that has an impact on society. The private sector is becoming more proactive in providing alternative sources of service and idea, and the international community monitors the policies and actions of government to assess them against international standards and ensure compliance.

There has been satisfactory progress in the move toward democratization. The tradition of self-rule for centuries helped in initiating the process and the democratic nature of society is contributing to its sustenance. The level of participation is on the increase as a result of decentralization of administration and development of local government institutions. More voters are turning out to participate in elections and progress in this area is good. There has been limited progress in firmly establishing measures of accountability of the government. The role of the parliament and its committees need to be further strengthened and administrative reform plans implemented in their entirety to enhance good governance.

Progress in the battle against corruption elicited mixed reactions. The strong role of the NCG in identifying and arresting prominent personalities on charges of corruption received widespread support. However, their effort faltered as they took on overambitious plans to deal with too many problems within the limited time available to them. Similarly, there has been small progress in enhancing the level of efficiency that could contribute to a just, fair and equitable system of government. However, there has been excellent progress in establishing a support system for the disadvantaged sections of the population. Micro-credit, gender equality and access to education have moved ahead in the past several years to pave the way for good governance. It is impossible to devise a comprehensive measure of good governance, but it can safely be said that the signs in Bangladesh are encouraging.

### **Observations and Conclusions**

Good governance in Bangladesh presents a challenge in view of stark contrasts apparent in its social, economic and political settings. The country is politically advanced in terms of high awareness of issues and participation, but a sophisticated political system remains a distant dream. Corruption erodes productivity, yet economic growth has been achieved through successive years. The society is reasonably free, yet it remains under strong military influence. Bangladesh's traditional society has shown impressive performance in promoting gender

equality.<sup>5</sup> In addition to the Prime Minister, Leader of the Opposition, and the Deputy Leader of the Parliament, three of the key ministries – Home Affairs, Agriculture, and Foreign Affairs – are headed by women. A state religion is enshrined in the constitution, but the people and society remain secular in spirit. Significant advancement was achieved in assisting the poor, but widespread poverty prevails. Finally, there has been huge growth in population, but the membership of Parliament is fixed at 300 since 1972. The number of seats reserved for women, however, was increased from 15 to 30 and eventually to 45.<sup>6</sup>

The World Bank, United Nations Development Programme and Asian Development Bank have proposed models of governance that highlight different elements. They include free-market economy with open borders and globally integrated trading system that will not have excessive government intervention. Predictability and transparency feature prominently with clear and publicly accessible budgeting rules and procedures and easy access to government information. They also call for a professional and efficient civil service that is free from nepotism and corruption and a strong civil society participating in public affairs and community provision of public goods.

Apparently, the proposed models may be applicable to democratic forms of government with free elections to exercise checks on the political executive. They also assume the existence of a free and self-governing market that ensures property rights, freedom to trade and applies limits on government intervention. Civil and political liberties, such as freedom of speech, freedom of the press and freedom of association are critical. An independent judiciary is vital for these models to be applied and succeed. While Bangladesh lags behind in some of these aspects, the return of democracy can be seen as the first critical step and it should be possible to move forward to fulfill the other requirements of good governance in Bangladesh.

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<sup>5</sup> Only in Bangladesh have the leaders of the government and opposition been women since 1991, with brief breaks for the tenure of NCGs.

<sup>6</sup> Seats reserved for women are filled through election by members of the Parliament. As a result, the parties receive seats in proportion to their strength in the legislature.

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# **Integrated Governance in Sri Lanka**

## **A Conceptual Myth or a Practical Reality?**

**Ramanie Samaratunge & Ken Coghill**

### **Introduction**

Many countries work tirelessly towards improving governance processes and practices in a bid to achieve ever-progressive states of governance that will ultimately bring better outcomes for citizens (Kernaghan 2005 & 2009). Amongst these improvements, the provision of integrated, citizen-centred service delivery is a growing phenomenon (Rosenbaum 2006). Even though achieving an optimal level of integrated governance is an ideal state, it is difficult to achieve in its totality (UNESCAP, 2009). This is true of South Asia (Samaratunge, Alam & Teicher 2008a), including Sri Lanka. Achieving high levels of integrated governance requires a sustained effort to identify the barriers to effective implementation of integrated governance and what might be done to address those barriers in specific countries. In taking up this challenge, we examine different barriers to integrated governance in the context of South Asia, taking Sri Lanka as a case study. Sri Lanka is an appropriate case study because it was the first South Asian nation to open up to the global economy and is today the region's most open economy. It has introduced a series of public sector reforms with the support of international development agencies (IDAs) such as the World Bank to strengthen its governance capacity. Its appropriateness also stems from the fact that since independence (1948) Sri Lankans have accepted that economic development must be underpinned by a sound government-led social protection regime, investment in human resources and the promotion of gender equality (World Bank 2001). The nation's outstanding level of human development among all developing countries makes it a special case.

We begin by sketching the literature that links the provision of integrated, citizen-centred service delivery and the existing governance structure in Sri Lanka. In particular, we examine the nature and the form of relationships among different social actors in the dynamic process of integrated governance during the period of aftermath of the Tsunami in 2004 because we believe that it has been a real test for the government as the main service provider.

Prior to the Tsunami, the governance arrangements were already unsatisfactory and so that it was a serious challenge to match the high expectations generated in the aftermath of disaster. The government

was forced to build up a collaborative relationship with the business sector and civil society, including NGOs, in order to instantly provide much-needed services to affected people in fourteen districts. We then elucidate both the conceptual framework developed by Ostrom (2005) and Mitleton-Kelly (2003) and adapt this model to a form suitable for the context of a developing country. Utilising this framework we review the major elements of Sri Lankan governance and examine how various social actors interacted with each other to provide much-needed services for affected parties after the Tsunami and explain why or why not they developed synergetic relationships during this period. Particular attention is paid to determining the level of cooperation and collaboration among different social actors, the roles that key players who contribute to an integrated citizen-centred service delivery are perceived to play in relation to the governance process and how these perceptions shape the overall outcomes of integrated governance.

We have argued somewhere else that good governance largely depends on effective links between different social actors (Samaratunge, Coghill & Herath 2008). Cooperation, collaboration and coordination are important features of good governance which are mediated by inter-connectedness, interdependence and interactivity between the major actors of the socio-political system – the state, market and civil society (Corkery 1999; Krahmman 2003; Haque 2004; Kernaghan 2005; Samaratunge, Coghill & Herath 2008; Kernaghan 2009). These can be undermined and compromised when attempts to maximise political influence and power result in subordinating other values. It follows that the nature of these links and the extent of their integration affect the outcomes both within each sector and, significantly, on the entire society. Because fostering these links has attracted much attention, new forms of network organisational structures have become significant, encouraging ‘synergic relationships, with private and public activities partially reinforcing each other’ (Knill & Lehmkuhl 2002: 42). High levels of collaboration between different actors would ensure better outcomes of governance (Kemp 2006). A recent World Bank report (2007) points out that creating a right governance environment is one of the key conditions for poverty reduction in South Asia. Disaster management is no exception.

The chapter is organized in the following manner. First, it examines the emerging theories of integrated governance and develops a theoretical framework in order to analyse the Sri Lankan case study. In the next section we discuss the case of Sri Lanka with a brief introduction to the existing governance structure, highlighting the key characteristics of integrated governance. In the third section, we analyse the experience of Sri Lanka particularly following the Tsunami

period and examine the effects of collaboration between social actors on the value of their service delivery. Particular attention is given to the nature and characteristics of the various social actors participating in the governance process. We examine the extent of these factors in the Sri Lankan governance process and analyse their effects on the final outcomes of integrated governance in Sri Lanka.

### **The conceptual framework: An integrated approach**

Governance involves the ‘complex mechanisms, processes, relationships and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences’ (UNDP 1997, cited in Samaratunge, Coghill & Herath 2008: 679). Thus governance allows the various segments in a society to voice their concerns, take part in healthy discussions and debates, be actively involved in decision making and decision implementing with regard to their own welfare and have an equal share in the outcomes of those decisions (Samaratunge, Coghill and Herath 2008; UNESCAP, 2009).

#### *Integrated governance*

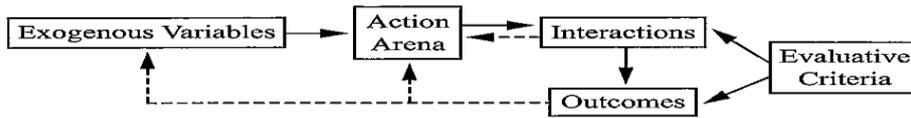
Integrated governance functions consistently with theories of complex evolving systems (CESs) (Mitleton-Kelly 1997) and, understood in this way, enables the integration of ‘ideas from many knowledge domains—from chaos and complexity to dynamic systems theories, from social innovation to network theories and from evolutionary biology and ecology’ (Bourgon 2009: 17). The functioning of integrated governance derives from the key features of CESs, i.e., (1) self-organisation; (2) emergence; (3) connectivity; (4) interdependence; (5) feedback; (6) far from equilibrium; (7) space of possibilities; (8) co-evolution; (9) historicity and time; and (10) path-dependence (Mitleton-Kelly 2003).

In CESs, system outcomes are expressed as probabilities and as degrees of confidence as to whether those probabilities are accurate. Further understanding of the operation of integrated governance is provided by the Institutional Analysis and Development framework (IAD) (Ostrom 2005). IAD has emerged as a valuable theoretical approach to understanding the complex relationships that exist between and within the institutions of contemporary societies. It has gained new prominence following the award of the 2009 Nobel Prize for Economics to Ostrom for her empirically-derived development of the framework.

The interactions between actors in a CES are explained by the ‘action arenas’ described in the IAD framework. Each action arena is comprised of ‘participants and an action situation’ (Ostrom 2005: 13) (Figure 1). A participant may be either an individual person or a group

which functions as an organisation or institution in that particular action arena. At a larger scale, a participant may be a group of groups: for example, a group of nation-states such as the South Asian Association for Regional Cooperation (SAARC).

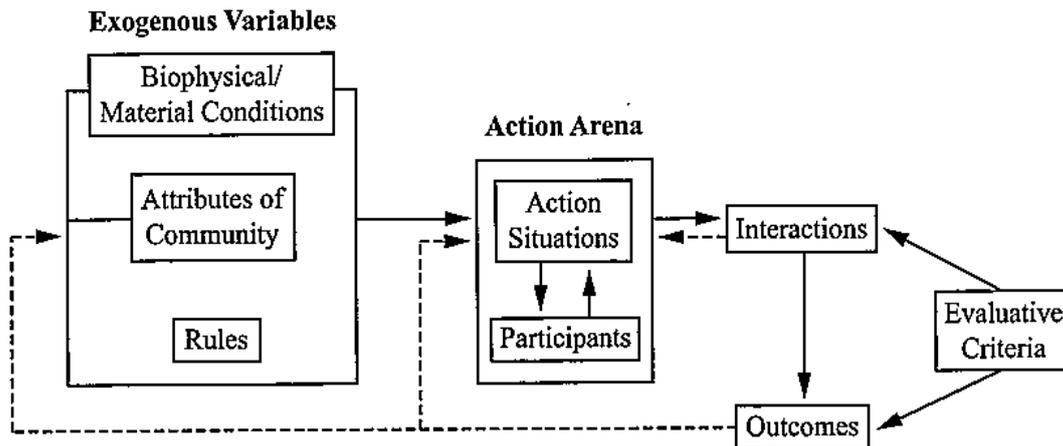
**Figure 1: Action Arena**



Source: Ostrom E. 2005: 13

An action arena is subject to influence by exogenous variables, as Figure 1 indicates. Thus actions occurring with a ministry are not autonomous but are affected by many factors, most obviously including resources available from budget allocations and any other sources. They may also include the attributes of the community or personnel in which the action arena is embedded, ranging from their skills to their motivations, and the formal and informal rules according to which the action arena operates, as shown in more detail in Figure 2.

**Figure 2: Exogenous Variables and Action Arena**



Source: Ostrom, E. 2005: 15

An action arena may also be affected internally by the responses to its actions. For example, if ‘participants (i.e. actors) view interactions as unfair or otherwise inappropriate, they may change their strategies even when they are receiving positive outcomes from the situation’ (Ostrom 2005: 14).

Action arenas exist at multiple levels. They are observed at the level of the nation–state but they are also to be found at the household, neighbourhood, district and provincial levels, at the enterprise and

industry levels of the market sector, associated with local temples and other local community organisations, and in national business and civil society entities. Internationally, similar action situations are seen, some as formal as the European Union, whilst others share common religious traditions and sensibilities and all join under the banner of the United Nations.

In many cases, action arenas are nested within larger scale action arenas. Thus local, district and provincial political decision-making is located within national constitutional structures and softer rules derived from history and culture. These findings by Ostrom confirm why complex evolving systems change over time in response to their environments. Both their internal structures and relationships of the system are dynamic and their outputs and outcomes are dynamic, i.e., they are constantly subject to change as the features and relationships of actors change.

The relationships between actors within the system change in response to internal and external environments, affecting the performance and outcomes of the system as a whole. Relationships between actions can be quite non-linear. Relatively small changes can reach tipping points and cascades of effects, producing fundamental changes. It is characteristic that, in circumstances in which the system is no longer able to function, these can lead to the creation of new order – a transition to operate according to a new dynamic and evolve in new directions (Mitleton-Kelly 2003; Samaratunge, Coghill & Herath 2008). In the governance of a nation-state, as an example of a socio-political system, the functioning of relationships is strongly influenced by the relative powers of the actors and how those powers are regulated and exercised.

An important aspect of the functioning of complex evolving systems, their capacity to adapt to changes in their environment, is the degree of central regulation. The relative powers and influence of the social sectors (and particular actors) are key factors in this adaptive capacity. If any is unduly powerful and unreceptive to influence (persuasive power) by others, the system is less conducive to adaptive change. If the level of internal control is too rigid, creativity is less likely to emerge and its incorporation into innovation less likely, reducing the capacity of the system to adapt to changes in its internal or external environments.

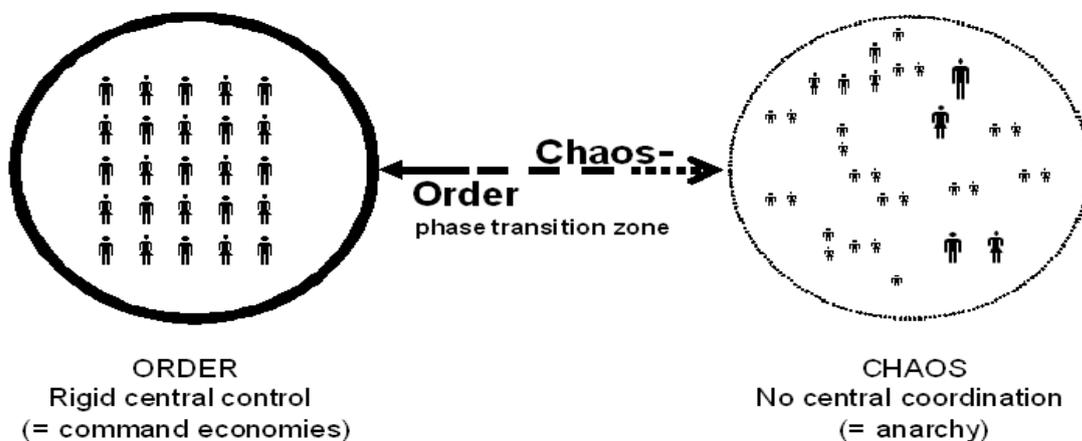
However, if the system is anarchic, that is, if centralised controls which set the systems' overall rules are very weak, powerful sub-systems emerge which compete with each other at the expense of the performance of the total system. The system becomes less resilient (Walker, Carpenter, Anderies, Abel, Cumming, Janssen, Lebel, Norberg, Peterson & Pritchard 2002). Better outcomes are more likely

at the vibrant intermediate state in which there are transitions between rigid centralised control and anarchic conditions, as illustrated in Figure 3.

***Insert Figure 3 about here***

As discussed above, better outcomes are found where there are moderate levels of regulation of the socio-political system. Ostrom has reported similar effects in the case of the commons (Ostrom 2005, especially at p.259). The so-called ‘tragedy of the commons’ (Hardin 1968) was less likely where there was appropriate polycentric governance with mixes of local community-based informal rules supported by more formal state-based sanctions. These better outcomes arise from the roles of moderate, mixed regulation in providing a framework within which the transaction costs of interactions between individual and institutional actors are reduced. As Offe (1999) explains, reduced transaction costs mean:

**Figure 3: Transition between Rigid Centralised Control and Anarchic Conditions**



I do not need to monitor those whom I can trust, nor do I have to buy what I trust they will offer me voluntarily (such as the occasional use of a car), nor do I have to force them to do what I expect them to do or to call in third parties (such as courts) to enforce my claims.

These effects affect relationships at both individual and institutional levels. Lower transaction costs result from greater predictability and certainty through enhanced social capital and the operation of formal and informal rules such as observance of the rule of law, trust and fairness in decision-making (Offe 1999; Cook 2001; Karayiannis & Hatzis 2007). Accordingly, healthy discussions and debate amongst various stakeholders, aimed at producing more effective coordination and collaboration amongst them, have become a growing phenomenon in the 21<sup>st</sup> century (Rosenbaum 2006). This has the potential for more effective action to be undertaken in some cases by well-informed citizens who act with reduced resource allocation by the nation-state (Sims & Vogelmann 2002).

The chapter now proceeds to examine the relevance to public sector governance in Sri Lanka of such integrated approaches incorporating dynamic collaboration.

### **The governance of Sri Lanka: nature and characteristics**

‘Improving public sector governance is a significant challenge for developing countries’ (Samaratunge, Alam & Teicher 2008a: 680). Sri Lanka is such a case due to its post-independence development experience which placed a greater emphasis on human development. Sri Lanka is a small island nation situated in the Indian Ocean, with 20 million people. It has maintained a literacy rate above 80% and an average life expectancy above 70 years (World Bank 2000). Its socioeconomic, political and administrative structure was highly influenced by a colonial legacy of almost five centuries of European dominance. Colonial influences, in particular the British influence, have had a profound impact on the political landscape: the system of government is derived from the Westminster model, evidenced by a number of features of a liberal democracy, including regular free elections and a two party political system. Voter participation at general elections is high at over 90%. Nonetheless, the English-educated elite in the political and bureaucratic spheres strategically excluded the mass of the population from the decision making process of governance (Samaratunge 2003). The situation in Sri Lanka was further complicated by ethnic division between the majority Sinhalese and the minority Tamils, which led to civil war and political turmoil from the 1980s until 2009.

The administrative system is highly centralised, based on rigid rules, and focused on process rather than outcomes. This administrative model has survived without serious challenge since Sri Lanka gained its independence in 1948. The centralized nature of decision making power and the simplicity of the administrative structure were the main attractions of this system to the ruling elite. However, during this period strong opposition was evident and ‘a free media was accessible to an increasingly literate populace’ (Hulme & Sandaratne 1997: 5).

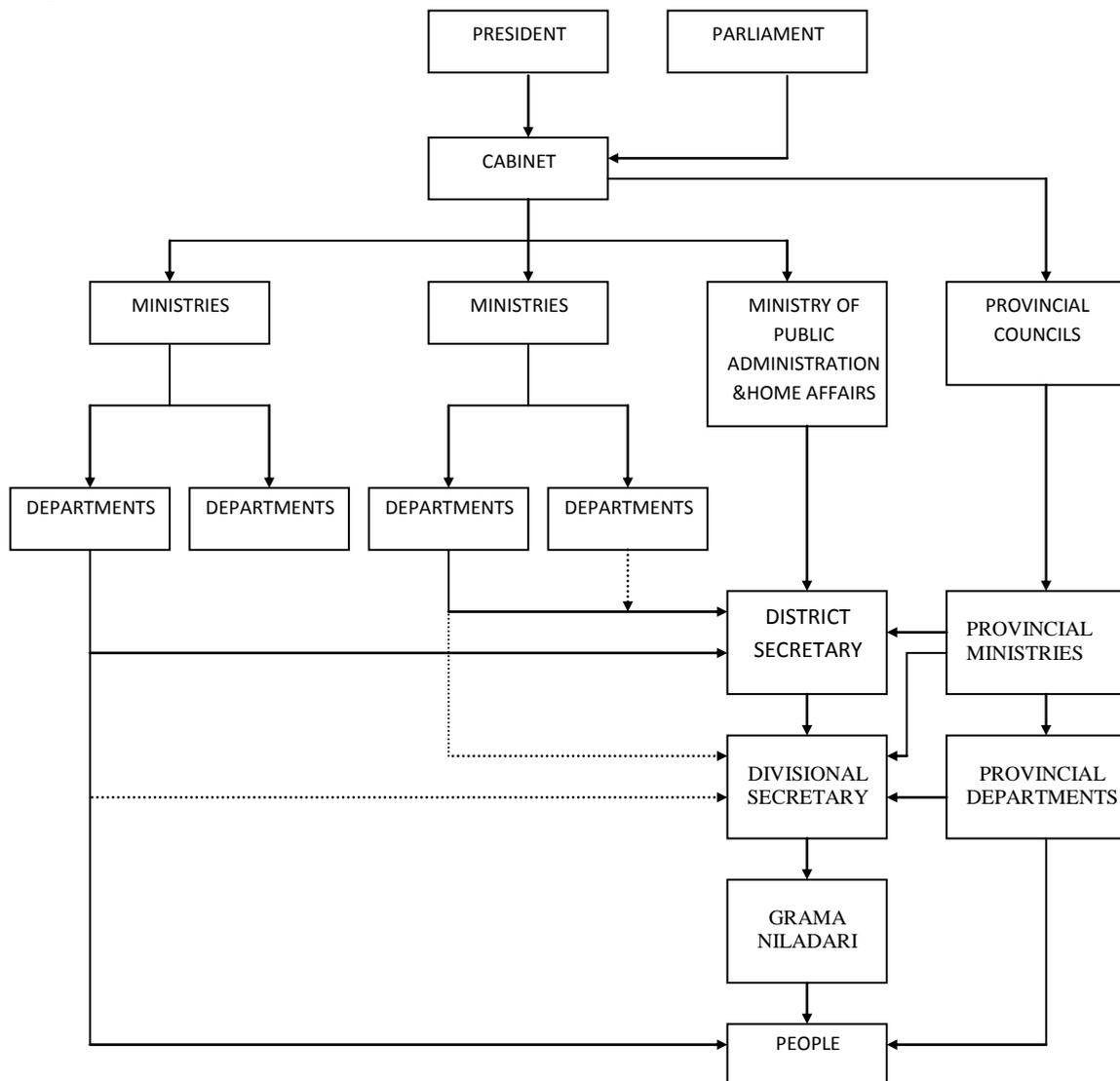
In 1978 it became the first South Asian nation to open up to the global economy and is today the region’s most open economy (Kumar 2009). Introducing the new economic liberalization in 1978, the President announced his intention to take Singapore as a role model for Sri Lankan economic development. Subsequently the country has experimented with different public sector reform initiatives, but typically these reforms were introduced during periods of marked political and economic turbulence (Slater 1997). During the period 1977-1994, various governments attempted to introduce market-oriented economic policies to align with world trends and to encourage private sector involvement in the economy. Unprecedentedly, the

government emphasized a ‘growth first welfare later’ approach, with the introduction of anti-welfarism policies that challenged the credibility of the nation’s longstanding welfare state. Samaratunge and Nyland (2006) argue that its impact on the deep-rooted welfare regime was dramatic, converting Sri Lanka to a new paradigm of an ‘enabling state’.

### Public administration

The current administrative system consists of five administrative levels: national, provincial, district, divisional and village level (see Figure 1).

**Figure 4: Administrative Structure in Sri Lanka**



At each level, the central government created its own administrative structure with line departments. The sub-national level coordination is given to various elected and non-elected local institutions. Overall, the administrative system has been strongly centralised. The capacity of the government expanded along with its activities until the late 1970s. Government was the sole provider of and the chief delivery channel for public goods and services. Each ministry in the central government

maintained a hierarchical form of structure with different departments, under the tight control and supervision of the Minister. Each department is responsible for an assigned government activity on an island-wide scale with little focus on horizontal integration at the sub-national level.

At the district level, the District Secretariat (DS) becomes the coordinating centre for government programs. The district coordinating committee (DCC), chaired by the District Secretary, plays a significant role in implementing government programs and monitoring their progress. The main criticism of this structure is that there is a grave setback to horizontal coordination below the national level. The central government's attempt to establish various coordinating committees at the district level has been a limited success due to the different interests and expectations of the actors involved. Many employees are more concerned about line department functions than coordination at the local level. Wijeweera (1988) pointed out that they looked at these changes at the district level as a threat to their legitimate powers and responsibilities, which undermined the leadership role of the District Secretary.

At the divisional level, the establishment of the Divisional Secretariat system (1991) brought the government closer to the local community in a limited manner.

### **Public participation**

The government argued that the main purpose of these changes was to promote the active participation of the public in decision making at all levels of the government. However, there is no effective administrative or political institution at the village level, and consequently the voice of the local community has been effectively silenced.

It is widely argued that that the large absolute majority in the parliament elected in 1977 (the government held two-thirds of the seats) severely challenged longstanding democratic practices such as regular elections. Serious problems related to public accountability started to emerge in Sri Lanka. Elections were delayed and widespread allegations of vote rigging at elections became common political currency. In 1982, the ruling party extended the life of the parliament through a referendum, which was 'the most dramatic change in political practice in Sri Lanka since independence' (Manor 1984: 1). Despite the limited involvement of the population at large in decision making, one of the main features in Sri Lankan politics has been the high voter participation (above 85%). Kearney (1979) argues that a

well-developed education system and the experience of regular elections over nearly five decades certainly contributed to the high levels of participation. However, many scholars and practitioners question the credibility of regular elections and voter participation in an era when 'all democratic checks and balances are silenced and rendered ineffective if transparency is reduced and extinguished' (Fernando 2002: 1). The media have been subject to intense state harassment since the late 1980s (Hulme & Sandaratne 1993) and independent pressure groups that can focus on public transparency are virtually non-existent. The public has displayed little interest so long as welfare expenditure is not openly threatened, and there is little evidence that those who were negligent or corrupt have been penalised in any significant manner. This is a matter of great concern in any country.

In the next section we turn to examining the way in which various social actors interact with each other to provide necessary services to those affected during rebuilding at the district level following the Tsunami.

### **The reality of integrated governance practices in Sri Lanka: the case of tsunami rebuilding**

The application of complexity theory, treating Sri Lankan governance as a complex evolving system, led to an examination of the relationships between sectors that included both 'horizontal' relationships between the public, civil society and market sectors, and 'vertical' relationships especially those between central and subordinate levels of the public sector. In this section, the primary attention is given to the horizontal relationships and we examine a) the nature of interaction among different service providers from the state, business and civil society; b) the quality of service delivery to those people affected; and c) the common issues arising from the process of integrated governance practices at the district level, using data from one of the districts (Galle) in Southern Sri Lanka.

Sri Lanka witnessed its most disastrous recorded natural event when the Tsunami struck, killing more than 30,000 people and destroying nearly 100,000 homes in the coastal area in 2004 (Olorunfoba 2005; ADB 2005). Almost half a million people were displaced and at least one-tenth of the nation's population was affected. Fourteen administrative districts out of 25 were deeply affected. Galle district was the second-hardest hit. The worst affected divisions were

Hikkaduwa, Four Gravates, Habaraduwa, Ambalangoda, Balapitiya and Bentota (Galle Secretariat 2005).

### **The nature of interaction among different social actors in the provision of integrated service delivery**

The governance arrangements of Sri Lanka were already unsatisfactory and it was a serious challenge to meet the high level of demands generated in the aftermath of the Tsunami. The provision of service delivery for Tsunami-affected people was a severe test of the strength and capacity of the Sri Lankan government's governance structure. The government was forced to build up collaborative relationship with the business sector and civil society, including NGOs, to immediately provide much-needed services to affected people in fourteen districts. This was a real test for the government, as the main service provider.

Immediately after the disaster, different community groups and individuals acted instantly to help those affected. Despite the bitterness of the ongoing civil war at that time between the LTTE (the Tamil separatist group in Sri Lanka) and the government, the compassion and assistance of those closest to the disaster met most of the basic needs of most Tsunami victims without discrimination on grounds of ethnicity, religion or social class during the relief phase. Indeed, the military forces worked hand in hand with the LTTE to assist with burials, road clearance, distributing essential food items, and building suspension bridges in the Northern and Eastern regions. However, Sri Lanka failed to capitalise on the once-in-a-lifetime opportunity for building trust between the government and the LTTE during the recovery and rebuilding stages. Both parties share responsibility for this failure. The quality of the relationship fell to a moderate and then to a low level during the recovery and rebuilding stages, with increased conflicts between the two groups. Thus synergetic relationships between the sectors that started out remarkably well early in the response later deteriorated. This can be explained by the many external factors and events that had a direct impact on the process.

#### *The quality of service delivery*

The focus of participating groups during the rebuilding stages was the establishment of displaced people in permanent communities, rebuilding damaged infrastructure and helping people restart their livelihoods. Consequently, affected people received cash payments, completed houses from government or donor agencies, and tangible goods such as fishing boats, sewing machines etc., which were meant

to enable them to resume their livelihoods. It is notable that as a means of rebuilding communities the government pursued the policy of replacing assets lost in the Tsunami with new donated assets. Replacing lost houses with new houses and replacing lost fishing boats with new fishing boats were common examples.

Under this policy more than 80% of damaged fish markets, boats and fishing equipment were rapidly restored (Telford & Cosgrave 2006). The Tsunami Evaluation Coalition reported that over 70% of affected households regained a steady income.

However, livelihood assistance mainly consisted of assets replacement and neglected the provision of technical advice, assisting and encouraging new entrepreneurships, introducing marketing techniques, financial management training and other non-capital support which are also necessary in starting or developing an occupation. Even with assets replacement, there were mismatches between the assistance provided and peoples' needs in some instances. Some victims claim that they have received fishing boats without engines so that they cannot be used. Others, who are not fishermen, have received boats for which they have no use other than selling them. Government did little to support people in settling down in new communities, enhancing peoples' skills, providing access to markets and information, helping victims with the trauma they faced, etc., which are also essential ingredients in caring for disaster-affected communities. Another concern with this policy was that victims who previously did not own assets received nothing at all, and, as one respondent stated, victims whose assets were not totally lost in the disaster also had nothing replaced, even though they were not able to restart their livelihoods with the limited assets that remained. These factors may also have contributed to the growth of the 'welfare mentality' and passive nature exhibited by the victims.

Another problematic area in service delivery was the quality of the houses built during the rebuilding process. According to research conducted by the authors, the majority of houses constructed were of sub-standard quality and therefore not suitable for human habitation. One official stated that, even though 3,500 houses were built in a housing scheme, 'quality is a concern and 80% of them have already been debilitated'. The government's housing policy involved provision of 'donor-driven houses', which were the donor-assisted houses, and 'owner-driven houses', which the owners themselves constructed with their own labour. Funding for houses was paid to victims based on whether their former houses were partially damaged (US\$1,000 was

paid in two instalments) or wholly damaged (US\$2,500 was paid in four instalments, based on progress). However, as one official pointed out, there were difficulties in determining the levels of damage to houses. The unprecedented preference shown by NGOs and private donors to use informal networks to channel their resources, both in cash and kind, further exacerbated the situation.

NGOs are mostly blamed for this inferior quality, even though, next to the government sector, they were the greatest service providers during the rebuilding stage. NGOs are also blamed for allocating houses based on personal relationships. These problems mainly occurred due to the inability to coordinate the activities of NGOs, who initially worked around the local government authorities. 'At first NGOs worked according to their own schedule without informing us but later they were also made to work with us by the Kachcheriya', one official pointed out. 'NGOs [did not adhere to any] standards when giving services, they don't care about the quality of the houses built', said another. To add insult to injury, the funds given to victims to rebuild houses were insufficient due to increases in the prices of materials. A cost-benefit analysis shows that no great advantage accrued to the recipients. Many people have also been hindered in obtaining compensation due to delays in establishing a precise coastal buffer zone, the inability of victims to prove ownership of houses due to the lack of land deeds, and to people illegally occupying land adjacent to railway tracks being declared ineligible to ask for land, even though they had also been made homeless by the disaster.

The donor-driven houses were not designed to meet the specific needs of recipients and local conditions. Some victims were also not properly informed of the conditions of the houses that were being offered to them. For example, some victims unknowingly accepted houses without kitchens, and women who previously had small-scale, home-based businesses discovered that their newly built houses had no space for such businesses. This has led to disruption in returning to livelihoods and frustration that needs have not been properly met. Even in instances where housing was provided, some still lacked basic amenities such as supply of clean drinking water and waste disposal.

#### *Problems in the process of integrated governance*

Problems that existed within the government machinery itself also hampered the smooth functioning of the rebuilding process. The government sector was a significant player in the post-Tsunami recovery effort and it had enormous responsibilities and accountability

in service delivery and in managing the coordinating, collaborating, and decision making tasks of the various other actors involved in the process. However, bureaucratic 'blunders/errors' seem to have impeded the recovery process. Many of the problems cited as emanating from the government were the lack of coordination within governmental units, various inefficiencies in administration, the government sector being too centralized, etc. The main problem was that public sector decision making was flawed and there was little coordination within the government machinery.

Coordination between the central government and district organizations was very weak. Decision making was centralized in Colombo. The circulars used to convey government policy decisions to other organizational units changed frequently and unpredictably. Authority was not delegated to the districts where the disaster occurred, so that local officials had little say in improving the plight of people in their localities.

Because of these problems, tensions and conflicts occurred between government units, severely inhibiting the harmonious relationships and team spirit between stakeholders that is necessary for good governance processes. This lack of cooperation within government units and lack of support from different organizations within the government was consistently highlighted in many studies.

The political appointment of private sector people to authorities charged with coordinating and overseeing the rebuilding process, viz., the Reconstruction and Development Agency (RADA) and the Task Force for Rebuilding the Nation (TAFREN), seem to have further exacerbated distrust and misunderstanding between sectors. RADA and TAFREN are two of the many such authorities the government set up in a bid to manage and monitor the activities of reconstruction and rehabilitation of the rebuilding process after the Tsunami. Much discontent was reported amongst government officials because the leadership of these important institutions had been given to private sector people.

As many studies have pointed out, Galle district lacked a strong political leadership that could steer its rebuilding efforts towards success. This meant that there was no one to politically articulate the requirements of the people and influence the allocation of aid and funds to the district for reconstruction activities. This lack of representation caused Galle to lose out on getting funding for rebuilding devastated areas and in effectively coordinating the

rebuilding process. There was no political figure to take on that responsibility. The Galle Provincial Council (PC) was not fully utilized in rebuilding activities. There was no cooperation between the Divisional Councils and the Divisional Secretariats. The Divisional Secretariats worked with the Divisional Councils on the 'Gama Neguma' project (a large national rural development and poverty alleviation project) without getting the participation of the PC. There was nothing to be done about this 'bypass' because it was on the President's orders.

Finally, many respondents reported that during the recovery and rebuilding process there was a lack of a sound monitoring system to oversee all activities, poor communications channels, corruption and theft of government property.

### **Conclusion**

Sri Lanka's governance, particularly under the extraordinary stresses produced in the aftermath of the December 2004 Tsunami, provides valuable insights into the factors affecting integrated, citizen-centred service delivery and the difficulties in achieving high standards whilst striving for the impossible dream of an ideal state.

Barriers to integrated governance observed in Sri Lanka fall within the range observed in other countries, but each has its own peculiar mix and natural characteristics. At that time, for example, Sri Lanka was torn by a separatist rebel movement, as was Aceh, the area of Indonesia most severely affected by the Tsunami. In Indonesia, the event became a catalyst for peaceful resolution of the conflict, whereas in Sri Lanka hostilities quickly resumed until a bloody military resolution years later. It is beyond the scope of this chapter to comment further on that issue; others will undoubtedly do so with greater insight than we can offer.

The high level of centralisation of policy and administrative control by government does emerge as major factor standing in the way of integrated governance as a practical reality in Sri Lanka. The replication of central government structures at subordinate levels of public administration has the practical effect of leaving local officials more responsive to the directives and reporting requirements of senior officials and Ministerial masters in national headquarters than to opportunities for cooperation and collaboration with local counterparts in other agencies.

The same centralist mentality reduces any incentives for working with NGOs or businesses in villages and other local communities. This reduced incentive is exacerbated by the absence of village-level political structures, denying the possibility of that most fundamental democratic principle – responsive rule (Saward 1996). The absence of village-level politics is a particularly tragic lost opportunity for Sri Lanka, because the high level of literacy, coupled with the exceptional degree of political involvement as measured by the proportion who vote, is evidence of the potential for greatly enhanced integration of Sri Lankan citizens into the governance of their nation-state.

Better integration of Sri Lankans into the governance of their own communities has the potential to substantially reduce the transaction costs of service delivery and hence to boost the efficiency of public expenditure and the effectiveness of service provision.

The quality of life could also be much better for citizens now experiencing marginalisation and succumbing to welfare dependence. Active, vibrant communities in which residents could see the results of advocacy, agitation and action are less likely to suffer the learned helplessness (Peterson, Maier & Seligman 1993) that is now observed all too widely.

This analysis demonstrates that vertical and horizontal integration are intimately intertwined. Horizontal integration has obvious strengths but in Sri Lanka that is limited by very powerful centralism, i.e., vertical integration, which encourages silo mentalities amongst civil servants, in turn orientating them away from horizontal relationships. Both structural and behavioural factors are in play. Whilst horizontal relationships are possible, structural arrangements produce incentives for centralist behaviour.

This study of recent Sri Lankan history suggests that achieving high levels of integrated governance requires a sustained effort by government, with the involvement of business and NGOs, to identify and address the specific structural and cultural barriers to effective implementation of integrated governance.

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# **Policy and Politics of Preference**

## **The Quota System in the Bangladesh Civil Service<sup>1</sup>**

**Habib M. Zafarullah**

### **Introduction**

The quality of any democracy is reflected by the extent and magnitude of democratic inclusion inherent or intended for the system. The notion of democratic inclusion, which, broadly, is “the incorporation, influence and representation of various disadvantaged social groups within democratic institutions” (Hero and Wolbrecht, 2005: 4), has become prominent in recent years. In every democratic society, existing or aspiring, public policies are being shaped to politically incorporate traditionally unrepresented disadvantaged groups in state structures, especially the public bureaucracy. As Donald Kingsley (1944: 185) argued in his seminal work several decades ago: “In a democracy competence alone is not enough. The public service must also be representative if the state is to liberate rather than enslave”. As well, in a democracy civil servants are said to be “exercising a public trust” and therefore are expected to be “representative... of the people as a whole” (Rosenbloom, 1989: 11) and thus the state has the responsibility to provide opportunities to everyone irrespective of their social, economic, gender and ethnic attributes to enter public offices. Improved access to public employment can empower disadvantaged people, women and minorities, enhance their influence and facilitate participation in government and thus democratize the bureaucracy (Kranz, 1976; Krislov, 1991; Niskanen, 1994).

In different countries, different historical traditions, social and political contexts and ethical demands have summoned distinctive policies and application strategies relating to social inclusion. Generally, the principal reasons have been the pursuit of fairness, equity and social justice and provision of equal opportunities for specific groups in filling positions in the public bureaucracy. Disadvantaged people, less-fortunate ones and minorities have been the recipients of special consideration in their quest for public jobs, and

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state policies have been specially packaged to benefit them for upholding civil rights, for maintaining social balance and reversing or reducing past discrimination, inequalities and social exclusion, and for making the bureaucracy less elitist and more representative. Democratic concerns relating to liberty, equality and participation are at the core of the concept of inclusion.

Thus, it is not uncommon to hear about preferential treatment given to disadvantaged people in public employment around the world. In some countries, such policies are known as 'affirmative action' (such as the United States, Australia), in others as 'reservations' (in India), while in a few as 'group preferences' or 'quotas'--expressions to generally mean the same thing. Often, the subjective and ascriptive nature of these policies make them socially sensitive and therefore politically contentious and the cause for arguments and conflicts between supporters and detractors (Sowell, 2004; Parikh, 1997; Meier and Nigro, 1976). Some argue that these employment policies have little effect in overturning discriminatory practices, however well-intentioned they might be. Then there are those who consider these policies as taking "advantage of people's natural sympathy for victims of discrimination in order to add layers of unnecessary bureaucracy and to institute an unwelcome ideological agenda" (Irvine, 1998: 23). Nonetheless, creating equal opportunities for women and minorities and other preferred groups to increase their representation has been a crucial issue and has strong symbolic value. It is argued that a sound employment strategy will ensure equity through compensatory and distributive justice (Tummala, 1989: 6-7).

Affirmative action is a deliberate measure to counter the historical deprivation of certain groups in society from gaining public employment and to remove "continuing discrimination" and "persistent disparity" between privileged and disadvantaged groups (Deshpande, 2005: 5). Distributive justice implies that nobody, regardless of their personal attributes like race, ethnicity, gender, physical and mental impairment and even religious and ideological beliefs, should be denied the opportunity to take equal advantages under fair and unprejudiced conditions. Compensatory justice, on the other hand, demands recompense for past injustices (or their continuing debilitating effects) perpetrated on certain individuals or groups in society by either direct state policies/actions or their indirect upshots. Distributive justice is about the present; compensatory justice is *ex post facto* (Fiscus, 1992: 9). Whatever form affirmative action takes, it has to be applied in a way that does not polarize the administrative system

into haves and have-nots, create divisions between the benefactors of such action and those who are not, cause “inherent tension between the individual right to equal treatment and the societal goal of overcoming profound inequalities of opportunity” (Weisskopf, 2004:1) and enforce double-standards in rewarding competence or penalizing incompetence. These aims are difficult to achieve in pluralist democratic systems where different political forces are at play to push their particular agendas. The application of affirmative action policies may be tainted by underhanded and prejudiced political ploys.

While concerns for social or distributive justice have been around in the advanced societies for nearly a century, tangible public policies toward more positive steps to eliminate past injustices or correct existing disparity in public employment have been employed in many developing countries relatively recently. Policy makers have been constantly assaying the nexus between merit and equity and endeavoring hard to come up with the most feasible reconciliation between the two in shaping civil service recruitment and selection strategies. It is indeed difficult to make civil service systems meritorious and representative at the same time. Merit assumes equality of opportunity for all potential aspirants to a civil service career to be assessed against given standards. Those performing best among them according to those standards are to be eligible for entry into the civil service. Equity, on the other hand, rests on recognition that everyone does not have equal opportunity in a competitive merit-based recruitment process and, thus, the commitment to balancing opportunities. Also, perhaps, the unwanted consequences of a public personnel policy founded mainly on merit have had implications for the way ideas of equity are introduced into personnel policy.

Soon after Bangladesh gained independence in 1971, the government introduced a quota system as an interim measure with a strong ‘affirmative action’ bent within the overarching edifice of ‘equal opportunity’ that was directed to offering everyone a fair and equitable chance on a level playing field. The country’s constitution outlawed discrimination on the grounds of religion, race, caste, gender or place of origin but, in addition to equal employment opportunity, it also empowered the government to adopt special provisions in favor of ‘backward’ sections of society to secure their adequate representation in the civil service (GOB, 1994). In this paper, we discuss the background to the introduction of affirmative action program in the civil service, implications of the quota system, its current status,

attitudes towards positive discrimination, and the political rationale behind the continuation of some contentious preferential categories.

### **The Genesis of Affirmative Action**

One of the first tasks of the new government in Bangladesh after independence was to reorganize the administrative system which was in complete disorder. The old structure, inherited from the days of Pakistan (1947-71), became useless for the horizontal and vertical complexities it created and the slapdash manner in which members of different civil service cadres were deployed within it. The higher bureaucracy retained its elitist stance, was conservative and strictly-career oriented, controlled and managed the civil service system and, believing in self-regulation, designed personnel policies and created rules that generally promoted its parochial interests. Its members, being products of a rigorous open competitive selection process, were insensitive to alternatives to meritocracy, such as equity and representativeness. The highly centralized structure of the governmental system insulated them from political intervention in their tasks and operations. Acquiescing to the status quo and inertial existence, self-preservation was their ultimate end and therefore they resisted attempts to change the system.

Responding to the demands of a newly founded state based on the ethos of democracy, the political leadership was keen to debureaucratize the administrative system and make it more effective, responsible and responsive. This goal was difficult to achieve with an institutionalized elitist bureaucracy with a high degree of sub-system autonomy in place but reform became imperative both from political and administrative standpoints. Politically, the country, for the first time after years of authoritarian rule, was under a democratically-elected government representing a mass-based party that had provided leadership to the war of independence. Administratively, the new state required a well-organized civil service system that would “effectively respond to a new set of social, political and economic demands” and help build the war-torn economy and undertake a wide array of development programs (Zafarullah, 2002: 53).

The political ‘obligations’ of the government were maneuvered by the ruling party as it initiated a deliberate scheme of patronage and discrimination that further deepened the crisis within the already-factionalized civil service. Flouting all rational maxims of a modern civil service system, the government began bestowing undue favors to its sympathizers and supporters in the pretext of their ‘contribution’ to

the war of independence and victimizing many long-serving and efficient personnel for meaningless reasons. Such an attitude epitomized in an unofficial policy of inducting freedom fighters, genuine or otherwise, regardless of their academic preparation or experience into the civil service, some even to high levels via lateral induction. This caused rifts and tensions among the various functional categories that almost tore the bureaucracy asunder and had pervasive implications for administrative efficiency. To correct this malady, the government had to act and install some ad hoc parameters, in the absence of a constitution still being formulated, to guide the recruitment process.

The Interim Recruitment Policy (IRP) was introduced by an executive order in September 1972. It employed a quota system—“a rule of redistribution of a benefit or burden among at least two groups on the basis of a fixed percentage or share for each group” (Conrad, 1976: 135). According to this rule, quotas are distributed according to ascriptive attributes, such as race, caste, ethnicity, gender, or membership of a particular group disadvantaged by past discrimination. The policy stipulated filling only 20 percent of base positions in the higher civil service (Class I) by applying the merit principle, while 30 percent were kept aside for freedom fighters (FF), 10 percent for ‘affected’ women, and the remaining 40 percent to be allocated to the districts on the basis of population. While the aim was to establish a recruitment system wherein equity considerations were accorded explicit and formal recognition, the diminished emphasis on merit and unusual weight placed on the area and FF quota was seen as a potential threat to the efficient performance of the bureaucracy. Most FFs who were recruited under this new system had average or even under-average academic credentials and would probably be unappointable under normal merit criteria and some were inducted simply because of their ruling party connections. The area (district) quota was irrationally applied by eluding merit or equity norms. Here, too, politics played a key role. Appointing authorities, such as ministries, departments and autonomous bodies, unwilling to implement the quota system, often violated its requirements (Khan and Ahmad, 2008).

The enactment of the Constitution in December 1972 was in many ways at variance with the IRP. Firstly, it guaranteed equality of opportunity for all citizens without discrimination and, by implication, without favor. Second, while it did grant the state the authority to alleviate under-representation of so-called “backward section of

citizens” including religious and other minorities, it made no specific mention of districts as a quota category or as a unit signifying ‘backwardness’. Third, any mention of favoring the FFs as a preferred group for affirmative action was conspicuous by its absence, yet this group continued to benefit from an extraordinary fillip meted out to them by all successive governments despite the almost complete attrition of genuine FFs as eligible aspirants to administrative positions. It has been observed by an author of the original Constitution that “emotions were so high and nerves so raw in the wake of a sanguinary liberation war that nobody dared to discuss these issues in public. The quota system was presented as a *fait accompli* and commanded the acquiescence of the public without any debate” (reported in Khan and Ahmad, 2008: 8. Emphasis in original). It remains a highly contentious issue 37 years after the war of independence.

The IRP was an ad hoc measure that stipulated the quota system as the preferred method of affirmative action for two specific groups of potential recruits, both connected with the war of independence—the freedom fighters and women affected (AW) by the war. This interim measure was continued until a more concrete policy was enforced in 1976 and amended several times to change the quota distribution and to introduce new groups for positive discrimination. For instance, the merit quota was increased to 40 percent. The district quota was lowered to 10, while a new quota for women (10%) was introduced. The FFs and AWs continued to be rewarded in the same measure. This distribution remained in force for almost a decade; thereafter the merit was further increased by five percent, the reservation for AWs was removed and tribal minorities were accorded a five percent advantage. This distribution has remained until now (See table). Interestingly, in spite of the

Table 1 Changes in the Quota System, 1972-1985

Year	Merit	FF	Women	AW	Tribal	District	Total
1972	20	30	0	10	0	40	100
1976	40	30	10	10	0	10	100
1985	45	30	10	0	5	10	100

*Source: Khan and Ahmad, 2008: 9*

### **The Working of the Quota System**

The legality of some parts of the quota system in Bangladesh has been challenged in the light of the provisions of the Constitution that guaranteed employment equality for all citizens and shunned

discrimination against “any backward section of citizens” and especially women (GoB 1972a: Articles 28, 29). No specific procedure was stipulated by the Constitution to obtain the adequate representation of different groups in society in the civil service either in terms of their initial recruitment or advancement during their career within it. However, the creation of a proper arrangement to secure equality and representativeness was implied in the Constitution but not binding upon the government. It has been argued that “there were no objective criteria for fixing the ceiling of merit quota” and the “reservation of 55 percent posts for preferred groups is...inconsistent with the guarantees of equal opportunity” as enshrined in the Constitution. Moreover, “exceptions should not be larger than the general rule” (Khan and Ahmad, 2008: 13; see also, Islam, 2006).

The other contentious issue relates to the notion of ‘backwardness’, which has not been adequately defined to assist in specifying quotas and administering affirmative action. The Constitution mentions “backward section of citizens”. Obviously, this implied certain groups of people in disadvantaged situation, mainly the poor who are unable to access good education and meet their economic and social needs or those who were discriminated against in the past and denied the opportunity to access public service jobs because of their gender, religious or racial attributes. Certainly, the phrase--“backward section of citizens”--does not indicate any geographical unit, such as a district, to warrant inclusion as a quota category unless that area, by virtue of its social or economic makeup, can be designated as wholly composed of citizens who are marginalized socially and economically. Then, again, this is difficult to ascertain and designate as such because of its composition that may include both marginalized and advantaged groups of citizens. Clearly, a district or a group of districts (division) cannot be specified as a unit for taking advantage of quotas. As argued, the “social goal for [affirmative action] will not be served if the upper classes of a backward district are benefitted by a quota system“. This is not about proportional representation of geographical areas; rather the principal intent is to secure adequate representation of ‘backward’ citizens (Khan and Ahmad, 2008: 14).

Even the application of the population-weighted district quota has been erroneous and irrational. It goes against the basic intent of infusing representativeness for the smaller districts/divisions as invariably the unavailability of adequate number of positions for all the 64 districts or seven divisions of the country leads to the districts/divisions with larger populations benefitting from the

allocation. Khan and Ahmad (2008: 16) provide an illustrative scenario:

if there are two posts, one will be recruited on merit basis and another will be recruited from Dhaka division (which has the largest population) even if the candidate from Dhaka division fails to secure the second place. If a candidate from Barisal division occupies the second place in the competition, he will not get the job because of quota. If backwardness is judged on the basis of hardcore poverty, Barisal is the most backward division in Bangladesh (35.6% hardcore poor) and Dhaka division is the second least backward division (19.9%). Ironically, the job... goes from the most backward to the less backward region because of the operation of the quota system that was designed for helping the backward section of citizens.

Unless there are a large number of vacancies, divisions with small population, despite their place in the country's economic barometer, have always lost out in getting their residents into the civil service. This complication arose more recently because of the absence of any rational criteria for representativeness *vis-à-vis* the population size issue. When the QS was initially introduced in 1972, the divisions having least representation in the civil service were given additional weight in the selection process. It also gave some advantage to those areas which in the past were not well represented in the civil service. While this served the cause of equity, it also had a deleterious effect on potentially better applicants from the larger well-represented areas who missed out (Zafarullah and Khan, 1983; GoB, 1972b).

The continuation of the quota for FFs remains the most debatable issue. If equity and representation of preferred groups is the principal rationale for affirmative action, there is hardly any reason to have such a huge percentage of vacancies reserved for FFs who are already well past their eligibility in terms of their working life to start a career in the civil service. Although this quota now covers children of FFs, which is certainly an absurd scheme, the total number of FF families with children would be so small compared to the total population or other preferred groups that this category does not warrant more than half a percent quota (Khan and Ahmad, 2008).

The administration of the regional and FF quotas has been besmirched by partisan politics and bureaucratic manipulation. The Public Service Commission (PSC), theoretically an autonomous body responsible for governing the quota system, has always been

influenced by ruling party machinations to enable its preferred supporters and activists to enter the civil service. Ever since this body came into existence, its top echelons have been invariably occupied by people, some without knowledge and expertise on public personnel management, directly associated with or supportive of the ruling party. Thus, a change of government is quickly followed by a change of guards at the PSC and the new appointees to these constitutional positions remain loyal to their political masters and unable to be objective in the discharge of their duties and obligations. Even test results have been maneuvered by these overly politicized individuals to benefit candidates supportive of the ruling party. Legislators have been reported to lobby hard in getting candidates from their constituencies civil service jobs despite their poor performance in the open competitive examinations. The selection process being highly complex and non-transparent, allegations of abusing the system and corruption have been widespread (Khan and Ahmad, 2008). This has had detrimental impact on the efficiency of the civil service, dented the morale among better performing candidates and questioned the legitimacy of the selection process. The PSC, even if its top echelons are manned by loyal supporters of the ruling party, has been critical of the continuation of the FF quota (PSC, 1995, 1996).

The QS fails to portray mirror-image representativeness; nor does it do justice to the equity element implied in the Constitution. Even if we accept the area-representation criterion of the QS, districts/divisions are not realistically represented, for those who take advantage of this are actually residents of larger cities where they are born and brought up and obtain their education. Thus, they take double advantage—gaining access to the best institutions and better educational opportunities and then seeking civil service positions as ‘representatives’ of a so-called backward district/division not because of they themselves originated from there, but by reason of being the offspring of their fathers or even grandfathers hailing from there. This hinders deserving candidates from entering the civil service as they are not in a position to compete on equal terms with their peer from the big cities.

The position of religious minorities is no good either. Representing about 10 percent of the total population, they occupy less than one percent of government jobs. Ethnic minorities are the worst affected and the five percent quota for them remains largely unfilled because of their physical isolation and lack of educational access. The secular Awami League government has been sympathetic toward the plight of

the religious minorities compared to its principal political adversary, the Bangladesh Nationalist Party (BNP) which has been more inclined toward the majority Muslim population.

The quota for women does not reflect the actual female representation in society, which is about half the country's population, but they hold about 12-13 percent of government jobs and fewer in the premier administrative cadre. Unlike their male counterparts, women face enormous hardship in aspiring and gaining entry into the civil service because of both systemic and subjective discrimination. Social and cultural barriers serve as deterrents, although in recent times females are doing much better academically at higher secondary and tertiary levels. Quotas meant for women are often erratically administered by a hierarchical structure dominated by men whose perceptions and attitudes influence the development of personnel policies with a clear male bias. This happens despite the presence of the 'National Policy for the Advancement of Women' (NPAW) which stipulates the need to increase efforts in employing more females in the public sector, ensure the effective implementation of enhanced female quotas, and facilitate the continuous flow of women into the job market (GoB, 1998). Complementing this are the 'National Women Development Policy' (NWDPP) and the Poverty Reduction Strategy Paper (PRSP), both of which emphasize the need for enhancing female representation in the civil service (GoB 2008; GoB 2005)

Although the number of women aspiring to enter the civil service has shown an increase over the years, their actual induction has not occurred in a similar way. Thus, in 2004, only 33 percent of all recruits to the civil service were women and this figure included those recruited on quota basis, that is only 13 percent could enter via the other quota categories (Karim, 2008). Then again, the administration of quotas by a highly partisan bureaucracy has "limited the opportunities for women to enter the civil service and... failed to eliminate not only discrimination against women, in general, but also discrimination between different categories of women—the advantaged urban and disadvantaged rural/semi-urban women" (Zafarullah, 2000: 203). Obviously, attitudinal, structural, and procedural constraints impinge upon the affirmative action program of the government for women and other preferred groups. Some are advantaged, some disadvantaged due to partisan political bias or amateurish bureaucratic approach to managing public personnel management.

One critical deterrent to the efficient working of the QS has been the serious lapses in monitoring and evaluation that further opens up the

process to political maneuverings, both of the partisan and bureaucratic types. As has been reported, the QS “benefits some groups at the cost of other groups. As a result, affected groups try to subvert the enforcement of quota rules” (Khan and Ahmad, 2008: 20). Being the central personnel agency of the government, the Ministry of Establishment (MoE) is counted upon to play the principal role of administering the QS. However, the division of the task between itself – responsible for personnel policy matters including the allocation of available positions among the several functional cadres and stipulation of recruitment rules, and the PSC, which is devolved to handle all appointments to Class I positions in the civil service, has developed problems relating to status issues. The PSC is a constitutional body with independent powers responsible to Parliament. As such, it holds a more important position in the governmental structure, while the MoE is one of the several executive bodies under the control of a minister. Other ministries enjoying similar status as the MoE have been remiss, either by default or design, to comply with central directives or reluctant to play second fiddle to the latter in personnel matters relating to employees within their respective jurisdiction. Problems of coordination and compliance then arise and the MoE virtually become ineffective as a central coordinating body. Here the bureaucratic politics of principles vs interest become more prominent as each ministry seeks to enforce the distribution of quotas in its own convenient way. This has implications for the proper and consistent implementation of the QS throughout the government.

Parliamentary scrutiny of the working of the QS has always been slipshod as the annual reports of the PSC, submitted to parliament under constitutional obligation, are hardly discussed in the House. Neither the opposition nor the treasury members ever bother to talk about affirmative action and its impact on the civil service and its performance. Parliamentary oversight of public administration remains a baffling problem. The standing committees most relevant to administrative issues including quotas for women, FFs and tribal communities have been balked in effectively playing their part in enforcing accountability by their overly politically biased approach in evaluating problems (Ahmed, 2006; Hasanuzzaman, 2007).

### **Attitudes toward the Quota System**

Ever since the quota system was introduced, it has encountered a lot of flak from different quarters, not because of its inherent value of infusing equity in public employment but because of the way it has

been applied *vis-à-vis* mirror-image representativeness of the country's demography. Apart from the issues of legality of the application of the QS (discussed before), there have been many questions raised about the continuation of some of its features, especially the rationale for the FF quota 37 years after independence, the low weighting given to the religious and ethnic minorities and women and the persistence with an illogical area quota.

The case against the FF quota is strong and this has found manifestation in official reports, the media, civil society deliberations, court verdicts and spontaneous public protests. The main argument is that there has been attrition in the number of FFs seeking government jobs because those who actually fought in the liberation war (no less than 10 years old at that time) in 1971 were by the early 1990s over the maximum age limit to be eligible for entry. However, in 1997, the ruling Awami League with its sentimental connection to the war which it spearheaded and, more importantly, to obtain political leverage, decided to continue the quota by extending it to the wards of FFs. Arguably, many of the beneficiaries of this quota belong to the affluent districts/divisions and recipients of good education and do not need to be favored in this way. Moreover, the 30 percent quota is hardly ever filled and the gap is plugged by poor performers in other categories through "rampant forgeries" by wards of fake FFs (Khan and Ahmad, 2008: 43).

On the FF quota, one newspaper editorial sums it up:

we are aware of the sentimentalism surrounding the quota for the offspring of freedom fighters. However, we should all keep in mind that the freedom fighters took up arms against the occupation forces because they believed in the ideals of equity and equality. They envisaged a strong nation-state wherein merit will prevail at every sphere of the state and society. Institution of a merit-based recruitment system for civil service and other government jobs will, therefore, by no means undermine their contribution but, in fact, be in line with the ideals for which they have made supreme sacrifices (*New Age*, 2008).

Political parties, relying on a populist approach to politics, and strongly under the influence of the so-called pro-liberation lobby groups, will not take the risk of departing from the 30 percent FF quota in spite of the clamors of reform groups and civil society to reduce its proportion if not fully abolishing it. Rather than political convenience, it is administrative rationale and the need for greater equity for more deserving disadvantaged groups that require attention.

It must be appreciated that society in Bangladesh basically is homogenous displaying similarities of traditions, customs and lifestyles in the different regions. Although faith separates the religious minorities from the majority of the population, both share similar cultural attributes. It is only the ethnic minorities—the few tribes still existent in the country—who show some cultural differences. Their interests and demands are different, perhaps because of the neglect they suffered for a long time, especially the lack of access to the same format of primary, secondary, and tertiary education and improved lifestyle. With current emphasis on human rights gaining prominence, the government is under pressure to attend to their political, social and economic needs and is responding positively but slowly. Today's politicians are perhaps aware that they should be politically correct in order to add legitimacy to democratic governance. Thus, the government has signed a peace accord with the tribal groups in the south-eastern part given them form of autonomy (yet to be fully implemented, though) and has undertaken programs to alleviate social and economic miseries of all tribal groups. They still feel aggrieved and left out of the mainstream. The Constitution does not acknowledge their existence as the provision on the 'backward section of citizens' is not specific about the tribal people. Indeed, their existence was often denied and the dominant cultural and religious orientation of the majority further pushed them into a marginalized situation (Mohsin, 1997).

These ethnic minorities are indeed fortunate to have been accorded five percent quota while the larger religious minorities have been denied affirmative action. To enter the civil service they have to compete against the dominant religious group—the Muslims. Although religion separates them from the majority, they are considered part of the mainstream Bengali population, but their presence in the civil service does not reflect mirror-image representativeness. The Hindus, Christians and Buddhists make up more than 10 percent of the population, yet together their numbers in the employ of the government, especially in the higher civil service, are small. They have been able to enter the civil service by the dint of their ability, not by obtaining any special favors.

The area (district/division) quota, which has been subjected to bulk of the criticism, is said to have devalued the affirmative action scheme because of the 'creaming' it creates. On the pretext of aiding the civil service hopefuls from the so-called 'backward' areas, it has actually

opened the door for the well-to-do with sound education and access to social resources who 'represent' those areas in getting preference over more meritorious candidates from the cities or non-backward highly urbanized areas. The QS has actually benefitted the relatively prosperous districts although it was meant to provide more equitable representation to the backward ones. In reality, the economic and social dissimilarities between the so-called backward and non-backward areas have contracted considerably in recent years and therefore the area quota is no longer a valid proposition. Indeed, the continuation of the district/division quotas has the propensity of dissuading bright graduates from the premier universities from embarking on a civil service career.

Reform schemes proposed by both government-appointed and donor-sponsored committees/groups/reports have provided the rationale for streamlining the QS in line with administrative efficiency and effectiveness, representativeness, social justice and equity arguments. Immediately after independence, the Administrative and Services Reorganization Committee (ASRC) had spoken clearly about the need for strong administrative capacity to build the new nation. It recommended that the process of selecting civil servants should be based wholly on the merit principle and there was no scope for deviating from this rule (GoB, 1973). This proposal had no effect on the government as it failed to streamline the public personnel system as envisaged by the ASRC and continued to follow ad hoc measures and recruit civil servants mainly using the patronage principle rather than a sound combination of merit and equity. The Pay and Services Commission, four years later, was even stronger in championing the merit principle and questioning the rationale for the district quota (GoB, 1977) and its pleas were heeded to by the incumbent military regime and the merit quota was doubled and the district quota substantially decreased. Into the new millennium, the Public Administration Reform Commission, after an in-depth analysis of the QS, argued for its gradual abolition (GoB, 2000).

Apart from these government-appointed reform bodies, several reports of the international donor community also emphasized the need for strengthening the capacity of the civil service for meeting the challenges of national development. These underscored the relevance and significance of a merit-based recruitment policy together with consideration of equity issues. The UNDP study on public administration called for an open competitive and transparent selection process applying merit criteria to determine educational attainment and

competence but did not touch equity issues (UNDP, 1993). The report prepared for the British Overseas Development Agency (now DFID) by four senior Bangladeshi bureaucrats, argued for a review of the QS and resonated the PSC proposal to considerably reduce the FF quota (to only 5%) and to provide women a better deal insofar as their entry to the civil service was concerned (ODA/GoB 1993).

The PSC, on several occasions, recommended either the complete abolition of the QS or its substantial reform, but its pleas went unheeded by successive governments. A former PSC member vehemently argued that “the government should immediately revoke district quota because it is a discrimination against meritorious candidates” (*Bangladesh News*, 2008).

In the past, the principal stakeholder in the civil service recruitment process—the tertiary level students, the potential members of the civil service, vehemently oppose the application of non-merit factors in selection. Results of a 1982-83 survey of students showed major support (48%) for the merit system and less for a scheme that would reconcile merit and equity (27.1%) and one based on the prevailing QS (24.9%). Incumbent civil servants also projected similar opinion (48.2% for merit and 39.1 for merit-cum-equity), with very few respondents in support of quotas (12.7%) (Zafarullah and Khan, 1989). This support for merit became even greater as years rolled by and the effect of the QS was increasingly felt within the civil service and in society. Generally, quota appointees fail to perform at the desired level and are always looked down upon by their peers and superiors. Continued denial of opportunity to advance has the propensity to cause ‘self-denigration’ and ‘defensive behavior’ (Tummala, 1999). There is hardly any remedial training program to improve their efficiency and they struggle hard to move up the career ladder unless political patronage resues them. Good achievers at the tertiary levels aspiring to make a career in the civil service are being put off because of the general disregard for merit and use of the QS. This has the propensity of pushing them toward private jobs, which are more lucrative in financial terms, or creating in them the urge to leave the country for higher education or better employment opportunities.

In most developing countries, not to speak of the advanced industrialized democracies, there are affirmative action programs for people with some form of disability. In Bangladesh, the policy makers seem to be oblivious of the requirements of this group. Of course, no qualified person, by reason of disability, is officially barred from

gaining equal access to public employment but this does not ensure them entry unless supported by positive discrimination, which does not exist in their case. It is an irony that this issue is hardly ever raised in public discourse. Surely, this group deserves some preference, more than the wards of FFs. The government is yet to come up with a concrete policy upholding the employment rights of disabled people. The existing 'Disabled Welfare Act-2001' is inadequate in establishing job opportunities in the civil service, or for that matter in any sector.

### **Limited Affirmative Action**

The extent of the QS in the Bangladesh civil service is limited to initial recruitment; it has no relevance to career progression. This means that once recruited through positive discrimination, a person will be on his/her own and compete on equal terms against those selected on merit to gain promotion. While this may serve as a challenge to quota appointees to improve their efficiency and performance and contend against all odds to win recognition, it may also serve as a major disincentive. For instance, women recruited at the same time as their male colleagues, lag behind in their career because of subjective discrimination at the workplace and cause them to harbor negative perceptions about themselves. Women civil servants need to break through the glass ceiling to move forward and this is no easy task in a male-dominated civil service system (Zafarullah, 2000). Recruits from other preferred groups face the same difficulty and if among them are females it gets worse for them.

Thus, the affirmative action program in Bangladesh only provides a springboard to members of disadvantaged groups to enter the civil service rather than supporting them throughout their career. Training programs are not tailored to improve their ability and performance and mentoring is conspicuous by its absence. The parochial attitude of senior bureaucrats reinforces the existing divide between quota appointees and those selected via the merit principle. The intense factionalism in the bureaucracy only adds to the woes of the disadvantaged groups; each faction, in order to gain the upper hand in bureaucratic politics is oblivious to the norms of solidarity and often are condescending toward quota appointees and spends more time in politicking instead of helping and guiding their disadvantaged colleagues in their career pursuits. On the other hand, the promotion system being principally seniority-cum-merit based does not help them either. The promotion process is not transparent, personnel have no clear insight of the selection criteria, appraisal reports are not fully

objective and supervisors rarely share their views with officers for whom these are written and there is loopholes in the system to ventilate grievances. The performance appraisal system for women, in particular, lacks focus on the special needs of the female incumbents. Systemic constraints in career-building for the disadvantaged groups have wide implications for their morale, motivation and performance.

### **Conclusion**

Bangladesh has been practicing affirmative action in the public sector for 36 years now but the program is still being tinkered with. No concrete policy was ever framed and basically *ad hocism* has endured the quota system. The results have been mixed as the civil service remains as unrepresentative as ever and continuously deviates from its main rationale that of achieving equality, equity and representativeness. Successive government failed to dig out the wrongs of the system and streamline it for its efficient working and for providing desired services to society. As affirmative action is quota-based rather than focused on numerical targets or timetables, as in many advanced countries, it creates more problems than it solves. This has made the system difficult to administer and has left it open to political and bureaucratic manipulation.

With a homogenous population, Bangladesh has not had to come to terms with ethnic diversity. In India, where two large minority communities—the Muslims and the untouchables, serve as vote banks, political parties there support affirmative action policies to build electoral coalitions during elections and pursue them once in power to keep themselves at the helm. In Bangladesh, the absence of large minorities has served as a deterrent for successive governments from initiating affirmative action for any overarching political purpose. The religious minorities are small and thus their support during elections does not matter make much of a difference, except in certain constituencies where their numbers are large. Possibly, the democratic principle of social inclusion has driven both democratic and authoritarian governments since independence to pursue the quota policy. Obtaining social equity and representativeness were the underlying factors in giving preferences to some of the disadvantaged groups and so-called ‘backward’ regions. But not all such groups, which have less representation in the civil service and were subject to discrimination in the past, have had the privilege to be assigned a quota. And, those who have, for instance, women almost equally sharing the country’s population, are poorly represented. On the

contrary, sheer sentimentalism continues to favor the freedom fighters or their children with a higher quota percentage than their numbers deserve. The tribal population is minuscule, yet they have been granted relatively significant percentage and the disabled are conspicuously unaccounted for in the QS.

Wide-scale organized protests in the tertiary level educational institutions in recent times against the continuation of the QS in its existing form, abuse of its principles for purely petty partisan reasons, and the corruption that surrounds the recruitment and selection process have ignited serious debate. In particular, the merit principle is being emphasized more and more as *the* essential criterion in selection. The proponents of meritocracy in the student community and in civil society argue that the move to making the bureaucracy more representatives by adopting spurious political and bureaucratic means will have long-term negative impact on governmental efficiency. Whatever the impact of the capricious application of the existing affirmative action policy in Bangladesh, there is no scope to reject the democratic compulsions of social equity and inclusion in the civil service recruitment and selection process and deny citizens distributive or compensatory justice to prevent prevailing discrimination and correct past injustice. Affirmative action, if it can be divorced from partisan political contrivance and mindless bureaucratic artifice, can remove the broader dimensions of social exclusion including the many forms of inequality and apartheid, and make the public bureaucracy more equitable, representative and participative—all hallmarks of democratic governance.

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# **Decentralization in Nepal and Adoption of Citizen Charter for Improving Service Delivery in Municipalities in Nepal**

**Tek Nath Dhakal**

## **Abstract**

*Citizen's charter is taken as one of the recent administrative innovations to improve the service delivery mechanism. It focuses on the stakeholder approach and ensuring transparency for efficient and effective service delivery. A number of countries adopt this concept in their administrative system. Nepal also introduced Citizen's charter in different organizations including its local bodies. The decentralized local bodies are expected to improve service delivery mechanism. In the context of application of citizen charter in municipalities, the paper seeks to answer the questions like do the municipalities improve their service provision, are the service receivers satisfied with local service delivery system, and what best practices are noticed from the application of citizen charter in municipalities? The study shows that the introduction of CC in the municipalities found helpful for benchmarking their services, managing time, increment of beneficiaries satisfaction, awareness building about the rights to services, and sharing responsibilities among service provider and the service receivers. However, the accessibility of services to the poor and have nots still not very encouraging compared to rich and elite citizen.*

## **Introduction**

Decentralization is the removal of certain centralized powers or control to various areas, usually the area where operations take place. It promotes democratization, equity, people's participation and effective service delivery at local level through transfer of authority, power, responsibilities and resources to lower or sub-national levels. The decentralized governance could be helpful to promote good governance, building partnership with civil society, private sector and government units at local level for enhanced service delivery and reduction of poverty at large. Nepal has made numerous efforts to strengthen decentralized system of governance for the last five decades. At present decentralization has been taken as a cross-cutting

sector addressing the country's governance system with local accountability and active participation of the citizens in the decision-making process and improve for a better service delivery. In order to enhance local service and financial management, CC has been introduced in a number of local bodies<sup>1</sup> in Nepal. The paper maps the state of the level of local service provisions after the introduction of citizen charter in municipality which is one of the grassroots local bodies in Nepal. Some of the issues raised in this paper cover: What is the status of decentralization in Nepal? Do the local bodies like municipalities improve the service provision after introduction of citizen charter? Are people satisfied with local service provision? Do they register any marked improvement after the introduction of citizen charter? What are the major bottlenecks not for implementing the CC effectively? The main purpose of the paper is to map citizen satisfaction with municipal services. It also assess the service providers' perspective towards the implementation of citizen charter in the municipalities. Thereafter, we intend to analyze what factors may explain the level of satisfaction. It also focuses on two sets of independent variables - effective service management and people's socio-economic background. The effective service management is concentrated on citizens' understanding of citizen charter, timelines of services, citizens' accessibility to available services, the extent of reliability and trust of citizens, responsiveness of local administrators, and local councils, affordability of service. It also looks citizens' satisfaction in relation to their socio-economic background such as membership in organized groups, educational and economic background.

### **Methodology**

Information was generated both from primary and secondary sources. In order to generate primary data a representative sample size from all regions in Nepal was collected. For this, we used the ecological and development regions which are generally used to divide Nepal geographically from east to west and from north to south. Nepal's 58 municipalities are spread across these ecological and five administrative development zones. For collecting primary data 10 municipalities (17.2% of the total municipalities in Nepal) were judgementally selected (Annex 1). The paper is based on two questionnaire surveys. The first survey includes a sample drawn from among citizens who have been in direct contact with municipality

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<sup>1</sup> Local bodies are District Development Committee (DDC) at district level and Village Development Committee (VDC) and Municipality at the grassroots level in Nepal

services. The effective size of such respondents were 988 though initial plan was for 1000 respondents picking 100 respondents from each of the 10 sample municipalities. Both male and female were given priority to include as the respondents. However, the number remained only 30% from among women respondents and the rest from among male respondents. The second survey is based on sample drawn from among employees of the sample municipalities. The number of the sample employees were 166. Along with the survey in-depth personal interviews with some of the executive officer, deputy executive officer, Ward Secretary, and service receivers were also conducted. In addition, both published and unpublished documents were reviewed and generated information to substantiate quantitative data.

### **Citizen Charter Need for Service Delivery**

With the advent of the New Public Management principles<sup>2</sup> and mode of thinking in organizing efficient and effective service delivery, citizen charter (CC) has been taken as one of such techniques which put citizens in the forefront to decide about the nature, form, and type of local services. CC came into existence in the early 1990s to empower the citizen in relation to public service delivery<sup>3</sup>. The uses of this tool can also be found in political initiative aiming for ([http://en.wikipedia.org/wiki/Citizen%27s\\_Charter](http://en.wikipedia.org/wiki/Citizen%27s_Charter)); Willett, 1996):

- Making administration accountable and citizen friendly,
- Ensuring transparency and the right to information,
- Taking measures to cleanse and motivate civil service, and
- Adopting a stakeholder approach.

Thus the concept of CC presupposes that people have confidence in the mechanisms established to sanction the behaviour of office holders and maintain accountability and also to improve the quality of public services. CC is also expected to enshrine the trust between the service

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<sup>2</sup> These principles include steer not row, empower communities, encourage competition, be driven by mission, be oriented by results, satisfy the customer, earn money don't spend it, prevent rather than cure, decentralize and use market forces (for details see, Osborne and Gaebler, 1992).

<sup>3</sup> A number of countries have been adopting the concept of Citizen Charter in their administration to make their administrative system more efficient and effective to deliver services to the people. UK, was probably the first country to introduce 'Citizen's Charter' in 1991 in their administration. This concept also introduced in administrative system of different countries such as in Australia as "Service Charter" (1997), Belgium as "Public Service Users' Charter" (1992), Canada as "Service Standards Initiative" (1995), France as Service Charter" (1992), and in India as "Citizen's Charter" (1997). Similarly in Jamaica it is used as "Citizen's Charter" (1994), in Malaysia "Client Charter" (1993), Portugal as "The Quality Charter in Public Services" (1993), and in Spain as "The Quality Observatory" (1992).

provider and its users. CC should represent the commitment of the organization for maintaining standard, quality and time frame of service delivery, handling grievance effectively, and maintaining transparency and accountability.

The primary purpose of CC is to improve the quality of service being offered to the citizen and to ensure better citizen satisfaction. Initially the concept of CC was based on six principles such as quality, choice, standards, value, accountability, and transparency which later expanded to eight principles such as setting of service standards, providing full information openly, consulting and involving the clients, encouraging access and promoting choices, adopting equal treatment, putting things right when they go wrong, using resources effectively, innovating and improve, and working with other providers ([www.goicharters.nic.in/cchandbook.htm](http://www.goicharters.nic.in/cchandbook.htm) retrieve on 15.6.09). CC is also taken as an effective tool to enhance the capacity of local government<sup>4</sup>.

In a rapidly changing context where efficiency, effectiveness and competence of state institutions are being questioned, it is imperative for the state agencies to strive for improvement in performance. To improve their performance level organizations need to develop benchmarking which helps to identify and adopt best practices to improve performance<sup>5</sup>. Best practice can be learned from others and also be replicate to other organization in order to improve performance, especially service delivery. In fact, public sector organizations can borrow some best practices from the private sector for the improvement of their organizational performance. So the CC as a good strategy can be instrumental in promoting the objectives of responsive and accountable governance and also help to improve service delivery. In such situation, those who get services could be satisfied and could enhance the level of trust to the service delivery agents.

This trend can also be observed in developing countries like Nepal for effective service delivery at the grassroots level. In Nepal, the local bodies comprise District Development committee, Village Development Committee, and Municipalities. This study seeks to find

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<sup>4</sup> Chandler, J. A. (2001) *Local Government Today*. Manchester: Manchester University Press

<sup>5</sup> Keehley Patricia, Steven Medlin, Sue MacBride and Laura Longmire (1997) *Benchmarking for Best Practices in the Public Sector: Achieving Performance Breakthroughs in Federal, State, and Local Agencies*, San Francisco, Jossey-, p. 39

out the implementation of citizen charter in municipalities in Nepal, whether the CC scheme has been instrumental to deliver municipal services to the people effectively. The discussion of CC can also be taken at a point when the government introduced more proactive approaches to reach the customer. The proactive approach could enable service delivery agents to satisfy their clients on one hand, and on the other, people's level of trust on municipalities could increase. This, in long run could also reinforce for sustaining the democratic system in the country. However it is important to understand both citizens' and municipality employees' perception towards the improvements in the service delivery. Municipalities in Nepal are the key grassroots level local government units and are entrusted to deliver a number of services to the citizens.

### **Efforts of Decentralization in Nepal**

Nepal has experimented with different modes of decentralization, ranging from delegation to deconcentration, and to devolution. In the early 1960s local authorities<sup>6</sup> were constituted within the constitutional framework, which however, had been used extensively as an extended arm of the central government. Onward that time, a number of committees (see Box 1) were formed to recommend effective institutional mechanism and the legal framework at local level. One of the important efforts was enactment of Decentralization Act 1982 and adoption of relevant regulation in 1984. This had initiated a significant process of decentralization, putting all district level line agencies

#### **Box 1: Formation of Decentralization Committees in Nepal**

- Acharya Commission (Administrative Reorganization and Planning Commission in 1956)
- Thapa Commission (Commission for Administrative Power Decentralization 1963)
- Jha Committee (Decentralization Committee 1967)
- Jaya Prakash Committee (Decentralization Committee 1969)
- Subba Committee (Decentralization Committee 1982)
- Deuba Commission (Decentralization

under the umbrella of respective District Panchyats, but in practice, it gave less emphasis on fiscal decentralization and less orientation on local governance. The Constitution of the Kingdom of Nepal-1990 has envisioned decentralization as a fundamental element of democracy

<sup>6</sup> The local authorities created in early 1960s were Village Panchyat, at village areas, Town Panchyat at urban areas, and District Panchyat at different 75 districts.

which also recognizes subsidiary governance as the guiding principle of decentralization<sup>7</sup>. As a result different Local Body (LB) acts<sup>8</sup> were enacted and created a number of local body institutions<sup>9</sup> to strengthen political process involving people in the local governing system. These local body acts were the continuation of the past without much change in decision making power, accountability, and resources without breaking sectoral implementation against decentralization. As pressure has been created in favor of decentralization Local Self Governance Act (LSGA) 1999 has been promulgated and also brought Local Self-Governance Regulations 2000. The preamble of the LSGA act states "...have institutional development of local bodies capable of bearing responsibility, by providing such responsibility and power at the local level as is necessary to formulate and carry out plans, and constitute local bodies for the development of the local self-governance system in a manner that they are able to make decisions on the matters affecting the day-to-day needs and lives of the people, by developing local leadership"<sup>10</sup>. The promulgation of this act set an unprecedented policy shift by legally endorsing the concept of self governance and devolution of authorities to LBs. The LSGA for the first time was successful in clearly defining the objectives, principles and policies, duties and responsibilities, inter-agency relationship for local governance in the country. Thus, decentralization in Nepal is based on the country's governance system, administrative structure, socio-cultural factors and past experiences.

The local bodies according to these legal instruments made provisions to be constituted both by elected representatives and employees appointed both by government and local bodies. The executive officer which plays the role of Secretary of these bodies is the civil servant appointed from the government, however other necessary employees are recruited at local level. As the tenure of the

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<sup>7</sup> Law Books Management Board (1997): *The Constitution of the Kingdom of Nepal 2047 (1990)*. Kathmandu: Law Books Management Board.

<sup>8</sup> Separate acts such as "District Development Committee Act 1992"; "Village Development Committee Act 1992", and "Municipality Act 1992" were enacted for creating local bodies.

<sup>9</sup> The 'Local Self-governance Act 1999' defines District Development Committee (DDC), Municipality, and the Village Development Committee (VDC) as the local bodies to develop and deliver services at local level. There are 75 district development committees, 3915 village development committees, and 58 municipalities in Nepal. Based on size of population, resource generation capacity, and availability of facilities, the Act also categories the municipalities into municipality, Sub-metropolitan city and Metropolitan city. Each of the DDCs is divided into 9 to 17 Ilakas, VDCs to 9 Wards and the municipalities to different 9 and/or more Wards.

<sup>10</sup> Law Books Management Board (1999): *Local Self-governance Act, 1999*, Kathmandu: Law Books Management Board P.1.

elected representatives were completed in 2002 and new fresh election of the local bodies have not been held, the employees have been working as full-fledge executive roles of these local bodies. In the mean time, the political movement of the 2006 has brought new changes in the political system and constituted Interim Constitution 2008. Accordingly it is in the process of framing the new constitution. The Article 139 of the present 'Interim Constitution 2008' states “..arrangements shall be made to set up local self governance bodies on the basis of principles of decentralization and devolution of power by creating a congenial atmosphere for the exercise of the people's sovereignty and thereby ensuring maximum peoples' participation in the country's governance, to provide services to the people at the local level and for the institutional development of democracy”.<sup>11</sup> The strengthening of local level bodies for delivering services and seeking of partnership with civil society and private sector has also been emphasized.

### **Introduction of Citizen Charters in Nepal**

Introduction of citizen charters has not a long history in Nepal. After the political change in 1990, efforts can be found for improving the citizen oriented administrative system. The 'Civil Service Act, 1993', for an example, spell out to deliver services in a better way. More specifically, article 54 'ga' of this Act has fixed the bottom lines civil servants who should meet while coming across service seekers. They mainly concern with behavioral dimensions deemed from civil servants at a time with service seekers. In accordance with them, the civil servants and public offices are expected to comply it with making public the lists of services available and procedures to be followed by the service seekers; and guarantying time publicly that is required for various businesses (GoN-MLJPA. 2008, p.48). This outlined feature represents the charters of public services at the local level as well. They, however, do not imply with public services at private organizations.

In fact, the country paved the way on to citizen charters only since 1998. At the outset, application of the charters remained limited with a few guidelines of the government. Gradually, it later stretched out into different statutory instruments of the country. All of them contributed to localization and institutionalization of the charters to the country's

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<sup>11</sup> Law Books Management Board (2008): The Interim constitution of Nepal, 2063. Kathmandu: Law Books Management Board, p. ?

context. In spite of the fact that original idea of the charters has been imported from outer world, in due course of time it became a part of the country's reforms particularly on the issue of improvement in public service delivery. The government, for the first time, placed the idea of citizen charters in service delivery system through a guideline. By enacting a typical guideline called '*Guideline for Making Effective the Governmental Services, 1998*', a separate mechanism and *modus operandi* for it took place. The arrangements mainly include (GoN-OPMCM, 1998, p.2-14):

- display of the service details publicly that are available supposedly to deliver to service seekers;
- fixation of mode of complain, if not fulfilled the promises;
- recognition of public officials who perform extraordinarily in service delivery; and
- arrangement of institutional mechanisms for execution, monitoring & evaluation of the charters.

Later in 2005, there was a turning point with regard to institutionalizing the CC in Nepal. For this, a special law called 'Governance (Management and Operation) Act, 2005' was brought into effect. By so, various aspects of the charters gained a wider spectrum of legitimacy. This is the time when the country came up with a full-fledged legal arrangement on citizen charters. Article 25 of this law has 'made mandatory putting citizen charters publicly in front of public offices. Along with this, the statutory act covered a range of provisions related to charters. Some of the major features are (GoN-OPMCM, 2007, p.15-16):

- arranging a list of public services and also a list of responsible focal personnel;
- displaying procedures, time, cost and other essential conditions to be followed by service seekers;
- giving reasons to service seekers, if not delivered any expected services on time; and
- managing a few provisions about compensation against cases failed to meet promises made.

In addition, the guideline that was introduced in the late 1990s also passed through amendment over time. In 2008, one more new guideline namely '*Guideline for Simplifying Governmental Decision Process 2008*' (GoN-OPMCM, 2008, p.2-9) was brought into effect

with respect to cutting cumbersome decision processes expecting to make quicker decisions involving in service processes. The amendment basically intended to have fine tunes as per the contexts emerged in political and other arenas. Again, in 2009, the government substituted the then existing guideline with a new guideline as '*Guideline for Operating Service Movement, 2009*'. As a matter of fact, the legal instrument including the new guideline has become an instrument for legitimizing the provisions arranged by the previous guidelines. Despite a one decade long experiences, it seems that provision of compensation package, which is an inherent part of global citizen charter movement, is still distant in Nepal.

### **Citizen Charter in municipalities in Nepal**

Over the recent years, the urbanization takes place in a faster rate in Nepal. This has brought about corresponding challenges in urban governance. As the crucial relationship between good governance and development become ever more apparent, it is important to focus more on enhancing the capabilities of local bodies. The transparency attributes of good governance has many ramifications that touch upon discipline, accountability and efficiency aspects of local government functions. It is within this context citizen charters provide clear and unambiguous insights into their basic functioning and help to create for transparent and efficient discharge of municipal services towards its citizenry. The basic premise of citizen charter hinges around the citizens right to information and municipality's basic obligation with regards to delivering their services. Given the diverse political development, and cultural and ethnic variations, and in the context of a new political scenario with a newly elected Constituent Assembly discoursing about ensuring more equality and equity in government functioning in Nepal, the issue of citizen charter that ensure effective service delivery to the people could be crucial for establishing democracy and good governance.

Generally, initiatives for the charters are centrally taken up in Nepal. However, they have been guiding charters of all regardless of central governments and local governments. As the origin is the same, the forms of the charters in use of central as well as of local governments do have a certain commonalities. Just like that, Nepalese municipalities share the similarities in terms of fundamentals, although contents may vary since they themselves have developed their own. According to the population census of 2001, the urban population of

Nepal was around 3.5 million which is 15% of the total population. Initially, a project 'Rural-Urban Partnership Program (RUPP)' supported to develop citizen charter in the municipalities in 2004. In the first lot, 12 partner municipalities had published the contents of the CC which later replicated in other municipalities. The Nepalese municipalities have already completed five years since they introduced CC in their administrative system. The contents of the charter have been spelt out in clear and succinct manner in Nepali in the form of booklets intended for wider distribution. In addition, the basic contents of citizen charters have also been outlined in the form of wall paintings in the municipalities. The CC lists down services that the municipalities provide to its citizens along with information on fees and service charges that are payable as well as lead time taken to complete a formality or provide requested service. The municipalities deliver a number of services ranging to provide recommendation, vital registration, building construction permit, sanitary, including the development and maintenance of roads, culvert and sewage, etc. in Nepal. Some of the state functions such as vital registration, recommendation for the ownership transfer of real estates, recommendation to various other purposes, distribution of social welfare grants including certain amount of developmental works are delegated at the municipality level. For this, people of different categories have to contact the municipality and its ward offices. The introduction of the citizen charters in municipalities is expected both to facilitate the service seekers and also the service providers for enhancing good governance and reinforcing people's faith at local in Nepal. This only can ensure the decentralization of power in real sense.

## **Findings and discussion**

### ***Perception towards municipal services***

With regard to understand citizen satisfaction perception towards the existing practice of service delivery in municipalities perception of citizen and employee was analyzed. For this, a question was asked 'how you evaluate the role of municipal employees for the delivery of services after the introduction of citizen charter in your municipality?' Box 2 shows that municipal employees were prompt and efficient (72%), friendly (67%), helpful (60%) and impartial (54%). But 58% of respondents also present their dissatisfaction as they were selfish to

serve their interest and another 34% found them corrupt. This shows that customer have both positive and negative feelings towards the behaviours of employees.

To understand the approach of municipality employees for maintaining neutrality while delivering the services, a question was asked: “After the introduction of the citizen charter, who in your opinion has been the major beneficiaries in this municipality?” Fifty-five percent people think that the service providers themselves and the rich and well off get municipal services easier than the others (see Box 3). However, 52% think the general people also get services easily. But 36% of the respondents think some ethnic groups and 47% believe to be from certain interest groups get services easily. Only 22% think poor and the have nots could get services easily. This also gives mixed picture of beneficiaries’ perception regarding the benefits from the municipal services.

In another question the respondents were asked about the usefulness of the charter. It was confirmed that 31% beneficiaries find it quite useful and about the same number (30%) opined only little useful. There was just 18% people who find it very useful while 21% were among who completely could not find it useful. The usefulness or not useful also depends on the behaviour of the employees and also often the approach of the beneficiaries itself.

**Box 2: Citizen’s perception toward the municipality employees (N = 950-969)**

<u>Perception</u>	<u>(in %)</u>
Prompt and efficient	72
Friendly	67
Helpful	60
Serve their personal interest	58
Treat all equally	54
Corrupt	34

*Source: Field survey 2008*

**Box 3: Beneficiaries of the municipality (N = 906-919)**

<u>Clientele groups</u>	<u>Citizen’s opinion (%)</u>
Service provider themselves	55
Rich and well off	55
Citizen in general	52
People of special area	51
Some interest groups	47
Some ethnic groups	36
Poor and have nots	22

*Source: Field survey 2008*

The degree of positive or negative towards the citizen charter also depends how far they were satisfied with the municipal services. When asked to 853 beneficiaries of different 10 municipalities it was found that only 14% of the total respondents were very satisfied to the municipal services and on the other spectrum 12% were found very dissatisfied. The rest of the respondents were inbetween sometime satisfied and sometime or for some reason dissatisfied.

On the other hand the employees found the introduction of CC was helpful to provide adequate information (81%) to the beneficiaries which also increased their confidence (80%) and able to increase awareness of citizen's rights (79%). It also helped to increase employees' responsiveness (78%), beneficiaries' accessibility to more services and to more beneficiaries (77%), and increment in user fee (73%) put their opinion and for helping people's understanding and expectation (70%) (see Table 1).

Table 1: Employees' opinion on the following statement

Citizen charter helps	Disagree (%)	Agree (%)	Don't know (%)	No. of Respondents
Provided with adequate information	17	81	2	165
Confidence increased	18	80	2	165
Awareness of their rights and benefits	19	79	2	164
Responsiveness has increased	19	78	3	163
More citizens have access	21	77	2	164
Access to more services	20	77	3	162
Pay more user fees than before	25	73	2	165
Citizen's understanding and expectation	27	70	3	165

*Source: Field Survey 2008*

This gives that the service providers are more optimistic to deliver the services and also found helpful to the beneficiaries.

Municipality in Nepal delivers a number of services to the people. For this, people contact the concerned

**Box 4 : Improvement of municipal services  
(N = 951-966)**

<u>Types of municipal services</u>	<u>Improvement (%)</u>
Allowance distribution	68
Relation certification	68
Recommendations service	67
Vital registration	64
Permission for Building construction	59
Garbage disposal	55
Road maintenance/construction	53
Sewage and local sanitation	52
maintenance of culvert/bridges	49

*Source: Field survey 2008*

municipality office. With regard to understand whether there was an improvement in the delivery of such services or not, a question was asked: how would you value the quality of the following services after the introduction of the Citizen Charter? Box 4 shows that service receivers have a positive feeling regarding the improvement in the delivery of different categories of services. Distribution of allowance, issuance of relation certificate have the highest degree of improvement as 68% population confirmed for this statement.

The other services improved after introduction of CC are recorded as for recommendations (67%), and for vital registration (64%). Slightly more than half of the respondents (59%) confirmed that services such as building construction permission, garbage disposal, maintenance, local sanitation were also improved. But people (49%) also demonstrate their negative comments for the maintenance of road, culvert, bridges, etc.

The objective of introducing citizen charter in the Municipalities in Nepal was to enhance the service quality, provide service in time and also to aware the citizen about the service provision in the municipality and their rights and obligations. To understand this, The respondents were requested to show their opinion on different 17 types of statements related to CC. Respondents demonstrated their positive agreements to increase awareness of their rights (69%), increment in citizen's confidence (67%), increase in responsiveness (65%), accessibility to services to more citizens (64%), access of more services (62%), easier access to the concerned official (62%), providing adequate information (60%), clarity in citizens' understanding (59%), more punctuality in service provision (59%), and 61% for willingness to pay services (Table 2). The other positive feelings were increasing hope (68%) and optimism for quality municipal services. However people have also little bit doubt as 57% of the respondents said it "promises a lot but difficult to implement". Another 50% even claimed that some middle man run the municipal services as the charter could not implemented easily, and 40% were found that it is rather show off business and probably a imitation of others.

**Table 2:** Opinion of people after introducing the CC in the respective municipalities (in %)

Citizens' opinion	Disagree (%)	Agree (%)	Don't know (%)	No. of Respondents
My trust on municipality has increased	14	72	14	915
To have my say also what contents to be included	9	72	19	906
Feel optimistic about quality of services after introduction of charter	10	70	20	913
Awareness to their right has increased	10	69	21	904
Very hopeful about changes brought by charter	13	68	19	909
Citizen's confidence have increased	16	67	17	913
Responsiveness to citizen's needs has increased	15	65	20	904
More citizens have access to services	14	64	23	913
Citizens have excess to more services	15	62	24	898
Citizen's access to officials have become easier	17	62	21	906
Citizens pay more charges than before	19	61	20	915
Provided adequate information	18	60	23	916
Citizens understanding have become more clear	11	59	30	921
Service provisions have become more punctual	23	59	19	902
Charter promises lot but difficult to implement	17	57	26	919
Some middle man run the services	28	50	22	906
All are show off	33	40	27	915

Source: Field Survey 2008

One of the drawbacks in Nepalese administration is not maintaining the time for the delivery of the services. There is a saying that the employees used to say “*bholi*” (tomorrow)

<b>Box 5: Time dimension of municipal services</b>		
<b><u>Time for service delivery</u></b>	<b><u>Number</u></b>	<b><u>(%)</u></b>
A little longer	507	53
As stipulated in charter	203	21
Too long time	246	26
Total	956	100

Source: Field survey 2008

that is for buying the time or sometime for indirectly asking bribes to do the things in time. With regard to citizens' reaction toward the time management for delivery of services, 53% respondents think it takes a little longer than the expected time. But a little than a quarter (26%) think it takes 'too long time' to get services from the municipality. Only 21% respondent fully confirmed that services are provided as stipulated in charter (Box 5). Despite the citizen charter specify the time to be taken providing for each unit of service, the beneficiaries still not found very much punctual.

### Implementation of Citizen Charter

Introduction of any new system or mechanism alone does not give any meaning unless it fulfils its promises. One of the query was whether the citizen charter in the municipality have been implemented properly. To implement the CC properly, first of all, the implementing agents

<b>Box 6: Knowledge on citizen charter</b>		
<u>Level of knowledge</u>	<u>Number</u>	<u>(%)</u>
Clearly knowhow	76	46
Partly knowhow	42	26
Quite knowhow	39	24
Not known	6	4
Total	163	100
<i>Source: Field survey 2008</i>		

– the employees should know the content and spirit of citizen charter. A question was asked whether the employees at the municipalities have clear understanding about citizen charter. Box 6 shows that only 46% of them had clear knowhow and 24% were quite clear about this provision. There were 26% respondents who were only partly aware about this provision. This shows that there is still a gap regarding the understanding of citizen charter among the employees working in municipalities.

The citizen charter mentions about the service provisions and the name of the concerned employee responsible to deliver the service. When asked to 159 employees about their roles mentioned in the CC, it revealed that majority of the employees (54%) were not mentioned in the charter and only rest 46% employees said that their names were also mentioned in the charter. This shows that there could be frequent changes of employees from one section to another. When discussing with the some of the Executive Officer it was disclosed that citizen charter which once prepared and distributed or demonstrated on the wall painting was not updated.

Regarding the implementation of citizen charter in the municipalities, employees also highlighted some of the hard facts

which should be improved (see Table 3). Some 80% of the total respondents were found optimistic to take shape in the passage of time for implementing citizen charter. However, 66% opined insufficient budget and 73% marked as insufficient resources. Some 77% of the respondents took the human resources as the main problem. However, 56% found the charter as too ambitious.

Table 3: Application of Citizen Charter

Employees' remarks for implementing CC	Disagree (%)	Agree (%)	Don't know (%)	No. of Respondents
Practices will take shape in passage of time	17	80	3	161
Shortage of human resource	21	77	2	159
Insufficient resources	24	73	3	161
Insufficient budget	30	66	4	163
Too ambitious	40	56	4	155
Just follow supervisor's direction	51	44	5	149

*Source: Field Survey 2008*

A question regarding the key role of different persons for implementing the citizen charter was asked to the sample employees. Box 7 shows that 90% employees believed the leader of the organization

**Box 7: Role of different responsible persons to implement citizen charter**

<u>Actors</u>	<u>Number</u>	<u>(Responses %)</u>
Leadership	156	90
Political leaders	155	88
Colleague at work	150	85
People/beneficiaries	149	82
Myself first	160	79

*Source: Field Survey 2008*

should take greater initiative to implement the citizen charter effectively. As municipality is a political/administrative local unit, the role of political leaders is also important. May be because of this reason, 88% of the total respondents think political leaders should take initiative in this endeavour. In addition to them, colleagues at work (85%), beneficiaries (82%) and the individual employee himself or herself (79%) should be ready and responsible to implement the citizen charter effectively. Employees were also found hopeful to bring change in the business of municipality as CC could be the best instrument to bring the people closer, and could be a role model. Surprisingly, there were around 33% of total respondents among the employees who claim that the citizen charter is just a gimmick.

However, Around 82% of the employees opined to introduce reward and punishment system and another 79% for adequate compensation to

ensure proper implementation of citizen charter. It is often claimed that private sector and/or voluntary organizations should take over some responsibilities to deliver municipal services. In this context, to map people's opinion, a question was asked whether people agree with this idea. It was revealed that 41% of respondents were not ready to accept private company and/or the NGOs could be more efficient. Only 34% in case of private company and 32% in case of NGOs agree with this idea. This shows that public trust with municipality itself is much better than other sectors.

### ***Best practices for service delivery***

One of the issues in order to improve service delivery system was to ascertain the best practices adopted in municipalities after introduction of CC. Some of the identified best practices in municipalities are taken as the outcome of citizen charter. The best practices were among the benchmarking the municipal services, time management, customer satisfaction, and awareness building among service receivers about right to services.

It is pertinent to understand what best practices have been adopted by these municipalities and

what the municipalities have developed such practices which can be replicated in other organizations for promoting service efficiency. As like in other countries such in UK, USA, Jamaica, Australia, and in India, etc. Nepal also made effort for benchmarking of services while adopting CC. The benchmarking clearly gives guidelines to the service seekers about requirement of time to get a service, process to be followed, required amount of charges to be paid, and the endorsement of the complaints. The municipalities have developed benchmarking as best practices in the content of CC. Such benchmarking would be helpful to deliver their services in other organizations as well.

Time management has been stood as another best practice in municipalities after introduction of citizen charter. In an interview S.

#### **Box 8: Time saving as the best practice of CC in municipalities**

“Everyday, around 500 people visit our office for getting certain service(s). Of them 70% approach for getting services related to Recommendation, Relationship certification, and Vital registration. As the CC clearly states the details for getting such services, the clients approach the concerned desk officials with full documents. It helps to cater services easily and the complaints or influence from other sources sharply decreased which was a normal practice before introduction of CC in our office. This helps me to save my time to other work of the office.”

*Source:* Saligram Rijal, Deputy Executive Officer of Kathmandu Metropolitan (Interviewed on 26, 8.09)

Rijal, Deputy Executive Officer at Kathmandu Metropolitan City rightly observed the usefulness of CC as a device to save the time and catering services easier (See Box 8). The adoption of CC at municipalities not only helps for time saving but also helps to decrease the number of complaints. It is customary that the service providers want to buy the time and could have other interests such as taking undue advantage while delivering the services. For this, they used to inform the service seekers to contact the office ‘*bholi*’ (tomorrow). As the CC ensures the stipulated time to deliver certain service, it gives both obligation and pressure to the employees to deliver that particular service in a given time. Thus, the CC provision helps to break the practice of ‘*bholi*’ culture in the process of service delivery which can be replicated to other offices. A. Satyal, Executing Officer at Panauti Municipality (interviewed on 19.08.2009) said “the disclosure of CC helps to decrease the number of complaints by 50% in my office. As a result I have more time to give my attention to other activities of the municipality”. This also shows a positive effect of CC. In a way the introduction of CC helps to manage the time as a best practice.

CC has been taken a positive forward looking initiative to provide better services to the citizens in time without any difficulty. D. Nakarmi, a resident of KMC-16 said “When I went to KMC office to register my firm, I saw the wall painting of CC and came to know the necessary documents to be submitted and the process to

**Box 9: Level of Citizen Satisfaction**

<b>Office</b>	<b>Number</b>	<b>Satisfaction(%)</b>
1. Municipality	193	58.6
2. District Adm. Office	169	64
3. Land Revenue /Survey Office	178	43.6
4. Average level of satisfaction		55.4

Source: MoGA, 2009. *Citizen Satisfaction Survey (Unpublished Report)*. Kathmandu

be followed. Once I submitted all documents, I got the service almost within the stipulated time and I am satisfied as I could manage to do my job” (Interviewed on 15.08. 2009). After introduction of CC it is expected higher level of satisfaction of the service receivers. In this context a recent survey on Clients’ Satisfaction Survey in different five districts – Jhapa, Dolakha, Tanahum, Bardia and Kanchanpur at different five municipalities, five District Administration Offices and at five Land Revenue/Survey Offices shows that 55.4% people were fully satisfied and the level of satisfaction in municipalities were even higher (58.6%) than that of average (See Box 9). In addition to this, in a “Client Opinion Poll on Public Service Goods & Services provided by the Nepal Government line Agencies (Dhankuta, Surkhet & Syanja

District” it was found that 51.6% of the people found the quality of services has been improving (Good Governance Project, Pro Public, 2007). With regard to understand this some of the interviewed persons also confirmed that they found better than previous practice. Thus citizens’ satisfaction has taken as one of the best practice to delivery service to the people.

The adoption of CC in municipalities provides straight forward approach and seeks active role of both service provider and the service receiver in the process of service delivery. Lack of people’s sufficient awareness regarding the procedural system of the municipalities affected the full-fledge application of CC for effective service delivery. The CC also become an instrument to aware the citizens for their right for getting municipal services and their responsibilities to claim such services. For this both service provider and service seekers should be accustomed with the provision of citizen charter. Regarding the level of knowledge about the CC KMC 16, Ward Secretary G. Acharya (Interviewed on 27.8.09) said “people particularly the older generation, women and illiterate people are still found hesitant to ask service as promised by citizen charter, however, the younger people are getting the municipal services easily by using the information given in the CC”. In addition to CC display, special notice for the service seekers was found on notice boards specifying ‘please don’t use the brokers for influencing the employees as services would be provided by completing the given process.’ These all gives learning to the service seekers. Despite such commitment on the part of municipality, people also have bitter experience regarding the services. R.S. Lama (Interviewed on 15.08.2009), for an example was found bit critical telling his experience as: “....we contacted the KMC Ward 29 office and also with KMC central office for the financial support for maintaining our local road. In addition to maintaining the formal process, we also have to please the concerned officials to get the work done. We think the full application of CC in favour of the citizen is still missing.” In addition, the lack of employees’ motivation for implementing the CC and other resource constraints including lack of updating the changes in service conditions also affect service delivery. In this context how to make CC as sustained and built-in in the regular service mechanism, how to introduce change orientation, how to make it replicable, how to produce quantifiable and quality results, and how to make customer friendly are some of the issues to be addressed.

## **Conclusion**

The introduction of citizen charter in the municipalities in Nepal found for helping the people. It helped to understand types and the nature of services that the municipalities provide to its citizens along with information on fees and service charges that are payable as well as lead time taken to complete a formality or provide requested service. From citizens perspective, this has been a positive departure from traditional mode of functioning where information was hard to come by and there was no way of knowing in advance about formalities and other requirements in connection with receiving municipal services. Due to the contribution of citizen charter for making the municipality business more transparent such as for information on the formalities involved, lead time taken and fees payable in return for the services there is limited room for someone taking undue advantage. Around half of the respondents found these information useful to contact the concerned official/department and get services. Besides highlighting municipal responsibilities towards its citizenry, the charter also spells out the obligations of individual members of the society towards the municipality.

As indicated by results of both surveys, the CC in Nepal has been successful in the following areas: improvement in service provision, increased work productivity, reduced waiting time for services, and improvement in the treatment of customers by staff. Despite these successes, a level of dissatisfaction was expressed by staff of the agencies surveyed towards the overall treatment of staff, especially in relation to staff benefits. In this context, the findings demonstrate firstly that people's perception regarding the service delivery of the municipalities give mixed picture. The accessibility of services to the poor and have nots still not very encouraging compared to rich and elite citizens. This is due to their socio-economic background of both service provider and the service receiver. In Nepal, the traditional mindset of the bureaucrats rather rely on control instead of facilitate, and process rather than result. In addition, the management of services also does not give very encouraging picture. The traditional approach of the employees, lack of logistics, financial resources, including the trained human resources are other factors which affect for implementing the citizen charter effectively. Despite the issue of the compliance of citizen charter in municipality in Nepal is not so easy, it is important for strengthening governance through public sector reforms. Our assumption is that the success of introducing citizen charter largely rely on effective implementation of Citizen charter. This

would be reflected in the performance capacity of municipality to deliver services to the people. However, the citizen charter is a new scheme aiming to bring citizen-centric governance in many organizations, the proper implementation would need some more time to bring into in practice. The scheme brings a new intervention at the traditional practice of service delivery mechanism in Nepal, however, full fledge implementation has not comfortably taken in the service delivery agents' part and also beneficiaries' part.

### ***Acknowledgement***

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1. Atmaram Satyal, Executive Officer, Panauti Municipality, Kavre, Interviewed on 19.8.09
2. Shaligram Rijal, Deputy Executive Officer, Kathmandu Metropolitan City (KMC) Interviewed on 26.8. 09
3. Govinda Acharya, Secretary, KMC Ward number 16 Interviewed on 27.8.09
4. Nabaraj Pande, KMC 3, Interviewed on Aug 7, 2009
5. Shubhas Chandra Dhakal, KMC 29, Interviewed on 26.8. 09
6. Dharma Nakarmi, KMC 16, Interviewed on 19.08.09
7. S Bhatta KMC 16, (Interviewed on 17.08.2009)
8. K Dhital, KMC 16 (Interviewed on 17.08.2009)
9. R. S. Lama, KMC 29, (Interviewed on 15.08.2009)

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## Annexes

### Annex 1: Sample Municipalities

Development Region	Total No. of Municipality	Sample Municipality	Name of the sample municipalities
Eastern Dev. Region	14	3	Ilam, Biratnagar and Lahan
Central Dev. Region	20	3	Kathmandu, Dhulikhel and Janakpur
Western Dev. Region	12	2	Pokhara and Butwal
Mid-Western Dev Region	6	1	Birendranagar
Far Western Dev. Region	6	1	Mahendranagar
Total	58 (100)	10 (17.2)	

*Note: Figures in parentheses denote percentage*



# Of Bureaucracy as Circus Ringmasters in Administrative Reforms : Notes on India

Amita Singh

## Abstract

*Country to general perceptions, the politician of today finds oneself in a precarious situation while implementing innovative and new genre of reforms. The bureaucracy senses the fear of increased accountability and transparency in new techniques. As a knowledge repository of budget allocations and a sure guide to the history of departmental functions, it is hard for the political master to make it work against its own conditioned work styles. However the strategy suggested in this paper may bring dynamism into an otherwise difficult bureaucaracy. It is a bifurcated two dimensional strategy; One, strengthen the functioning of the Citizen's Charters for every ministry and its programmes. Second, implement performance appraisal systems through an introduction of a minimum of office e-governance strategies. This has the capacity to bring to surface those unwilling, outdatd and obstructive administrators who find no reason to be innovative in changing times. Without this change, bureaucracy may continue to act the ringmaster in the administrative circus.*

## Introduction

The Indian Parliamentary elections of 2009 have unleashed forces of emboldened reforms in strengthening administrative accountability and transparency. A little ahead of neighboring South Asian countries the Indian Republic has entered a second phase of institutional reforms in administration<sup>1</sup> where the issue of formulation and causation is replaced by the confounding need for implementation. The complexities which haunt this process are exacerbated with the continuance of a self-conceited Weberian bureaucracy, refusing to learn and to replace their cloak of ringmaster with knowledge based supervision. The introduction of a substantial number of administrative reforms since 2000 and the publication of fifteen Reports of the Second Administrative Reforms Commission throws new responsibilities upon a fairly younger genre of ministers who in turn question the might of

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<sup>1</sup> The first phase of reforms was attempted during the tenure of the First Administrative Reforms Commission 1966-69.

bureaucracy and feel intimidated by their overpowering control over information and finance. This paper would try to look into a much ignored side of implementing reforms which deals with the trappings of a new, enthusiastic but a fairly less experienced political master heading the Ministry who is ill-advised, coaxed and obstructed by a pre-existing bureaucratic machinery to dilute deadlines, complicate financial distribution amongst programmes, blunt speed and discourage political ambition. The focus of investigation in this paper is the process which generates accountable bureaucracy which is well monitored internally through departmental performance appraisal systems and its capacities enhanced on a timely basis through scientifically planned strategies. This reduces the discretionary power of administrators which is not backed by knowledge and due to that lacunae prevents meaningful and sustainable partnerships in a largely project based governance in the present era of reforms.

The clear and committed agenda for meaningful administrative reforms focused on knowledge based governance and high quality public sector performance. This made the 15 published reports on administrative reforms both a lighthouse as well as a challenge to bureaucracy. The present discourse on administrative reforms relate to the overload of reforms and its asymmetrical disposition to the administrative capacities both in terms of its desire and motivation to change and the perceived need to step out of the traditional cosy Weberian machinery to offer oneself to scrutiny and training. Without developing knowledge based performance appraisal systems for bureaucracy and a scientific standard for impact assessment of their implemented policies most reforms may continue as rhetoric in a circus with bureaucracy as the ringmaster without having any capacity to innovate. Two immediate solutions to counter this fearful trend is to introduce a meaningful performance appraisal system and the other is to study the impact of implementation of policies by each administrator. Both the performance appraisal systems for administrators and the study of impacts which their implementation strategies make are mutually supplementary and complementary to create a more accountable system of bureaucratic leadership.

### **Reforms and Bureaucracy**

There are many reasons for the non-implementation of most administrative reforms in every country. Bureaucracy in India is clueless and hence panicking about the implementation of the huge volume of administrative reforms coming out of the 15 Reports of the

Second Administrative Reforms Commission. Hence an anxious search for the right partners and then a strategy for monitoring partners is the biggest challenge being encountered by bureaucracy presently. The menacing influence of this challenge becomes evident by what Y. Dror (1994:53) explains as ‘a pressure dominated multi-media populist democracy’ to be contrasted with ‘quality democracy’. However, Dror has not mentioned the insidious role of bureaucracy in the many ‘domestic difficulties’ he has elaborated as political culture obstacles. He has limited the discussion to capacities which meet global demands rather than the need for generating capacities through internal and external scrutiny for implementing governance reforms.

It is important here to distinguish administrative reforms from governance reforms just the way it is important to teach bureaucracy to distinguish good governance<sup>2</sup> from sustainable governance<sup>3</sup>. This would set the prelude to any meaningful discussion on implementation. While administrative reforms deal with streamlining, strengthening and innovating administrative procedures and capacities, governance reforms intend to strengthen government legitimacy as a trustee of public goods and citizen’s rights. Thus, while the former is about capacity enhancement of administrators as implementers the latter is about accountability and transparency of procedures and partnerships. The latter is more concerned about democratization of processes through greater clarity on property rights and legal domains of administrative actions. Many scholars have been using them intermittently as overlapping terms yet it cannot be denied that while

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<sup>2</sup> Good governance has been an outcome of the new institutional economics (NIE) which has several shortcomings due to its lack of clarity and ambiguity in defining perspectives. This inadvertently locates ‘good governance’ into a loose logic which satisfies objectives of all policies starting from the macro-perspectives related to political and legal rules to micro-perspectives of institutional reforms through privatization and reordering of administration for managing market reforms. Hence, transaction cost economics which is the dominant section of NIE becomes the cornerstone for accrediting the ‘good’ in governance even though the less researched area of NIE is the issue of ‘institutional adaptation’. Williamson (1996:327) distinguishes between ‘autonomous adaptation’ accomplished through the market in response to ‘price signals’ and ‘cooperative adaptation’ accomplished within the firm with the support of fiat. The first view emerges from Hayek (1945) and the second from Chester Bernard (1938). This also explains that in emphasizing good governance one tends to emphasize ‘governance’ devoid of ‘institutional environment’ which has been repeatedly emphasized as the unavoidable and indispensable constituent of governance yet the least researched too. (see North 1994 and Williamson 1996). Hence, good governance signifies an instrumental tool suggesting re-ordering and restructuring of procedures and legal rules to suit preexisting models of institutional behavior.

<sup>3</sup> Governance which is ‘people driven’ rather than ‘market driven’ and thus is not affected by the rise and fall of markets and complexities of private collaborations and investments. Sustainable governance goes beyond the market entrepreneurship of government reforms embedded in contracts in which people have no say.

administrative reforms are indispensable to governance reforms, the latter need not be a precondition to the former. A number of countries in the Asia Pacific region have achieved administrative reforms without translating it into governance reforms thus these countries have developed high quality infrastructure and service delivery systems at the cost of reduced voice of citizens. This continues to keep the system vulnerable to corruption, censorship and state led ideologies. Many countries which lead the developing world in a fast track adoption of administrative reforms such as Malaysia, China, Brazil and Rwanda have yet to translate them into governance reforms hence remain vulnerable to capture by ideological, religious and racist forces. In either case bureaucracy continues to be the ringmaster, a position which gets diluted as governance reforms advance towards a more sustainable and knowledgeable direction and this is the major fear which prevents administrative reforms from being translated into governance reforms<sup>4</sup>.

Notwithstanding administrative capacities, reforms have been generously introduced into every department in the last decade. This has shown some enhanced drive towards change management and performance evaluation within bureaucracy. Both at the top levels and at the lower local levels, bureaucracy has generated new strategies and arrangements to cope up with this sudden inundation of responsibilities. Much of the governance has lately become project based and administrators are generally not project oriented in terms of team work, deadlines, standard procedures, depersonalized results and treating technical training as indigenous to excellence in performance. However increased responsibilities despite the lack of knowledge with straightened norms and standards of accountability has led these departments to transfer much of their work to new private partners who share the ability and expertise in project management to get work done. Public Private Partnership has become a new acceptable norm and a fashionable way to demonstrate efficient administration which in reality does not make administration efficient in any way. In a similar manner the lower levels of administrative hierarchy has started sharing administrative responsibilities with the NGOs and private companies who are suppliers of equipment, softwares and financial support. Even this has not been able to change administration in any substantial and

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<sup>4</sup> A study of the Governance Knowledge Centre located at the Centre for the Study of Law and Governance at Jawaharlal Nehru University, New Delhi has been a phenomenal attempt of the Indian government to translate administrative reforms into governance reforms through an evaluation of best practices on the scale of sustainability and replicability.

sustainable manner despite the enormous impact it has made over local civil society. Thus, bureaucracy has persisted as an unimpeachable and an intractable ring master stubborn to the need for change necessary for implementing reforms in a sustainable manner.

### **Missing performance standards and deviation in reforms:**

It has not been easy to make bureaucracy accept the direction and the speed of reforms<sup>5</sup>. It has also not been easy for the bureaucracy with its limited understanding to traverse through the ever widening demands of implementation. Hence the declining performance of administrative systems has not just been the inertia to reform but also the tunnel vision and the disregard for truth and justice which has affected the performance of administration and management of reforms<sup>6</sup>. Caiden (2007:58) had warned in his analysis of reforms that for at least a generation, there would be a dearth of administrative talent that would continue to handicap development. It is being emphasized from the very early times that reforms have failed to generate innovations and creativity. Some efforts such as those being made by the Ash Institute of Democratic Governance at Harvard University through its Government Innovators Network<sup>7</sup> and Governance Knowledge Centre at the Jawaharlal Nehru University<sup>8</sup> have inspired administrators to innovate without having the capacity to nurture talent and generate capabilities amongst administrators.

In the early sixties F.W.Riggs<sup>9</sup> had highlighted the failure of reforms due to the ‘reciprocal relatedness of these two sides (of development administration and administrative development) involves a chicken and egg type of causation. Administration cannot be

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<sup>5</sup> ‘Administrative theorists had warned the reformers that they might be on the wrong track. But the reformers for the most part could not understand the theorists so they claimed because the theorists wrote too obscurely and rarely mixed with people outside the halls of academe, left to their own devices the reformers rarely conducted adequate research on their models or questioned the assumptions on which they worked.’ (Caiden, 1991:3)

<sup>6</sup> See Caiden (1991:2-3) suggesting ‘Administrative systems seemed to revive but untouched were serious diseases (bureaupathologies) whose cure was actually being delayed by such temporizing (of reforms).’

<sup>7</sup> <http://www.innovations.harvard.edu/>

<sup>8</sup> <http://indiagovernance.gov.in/homepage.php>

<sup>9</sup> F.W. Riggs (1967), "The idea of development administration: A theoretical essay", CAG Occasional Paper, Bloomington, ID, reproduced in Weidner (ed.) *Development Administration in Asia*, Durham, NC: Duke University Press 1970:32-33.

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improved very much without changes in the environmental constraints (the infrastructure) that hamper its effectiveness; and the environment itself cannot be changed unless the administration of developmental programmes is strengthened.' Much later in a UN Study<sup>10</sup> the need for performance measurement of administrators was emphasized through the strengthening of standards and criteria of performance. The emerging philosophy of reforms was towards adequate preparedness in bureaucracy through improvement of performance to compete on the global stage, in the absence of which as Susan Tolchin<sup>11</sup> wrote was like playing tennis at Wimbledon with an old wooden racket.

Till Niskanen<sup>12</sup> wrote in the seventies the massive bureaucratic machinery was considered to be an altruistic and benign servant of the state. It was only with Niskanen that an economic understanding of the aggregate behaviour of bureaucracy was developed exposing the total disjunct between the demand and the supply side of public decision making. While the demand side was well represented through people's participation and civil society activism, it was generally the bureaucracy that failed to deliver. Many of these revelations brought to light the need for accountability through performance appraisals of bureaucracy. This has also revealed that an empirical analysis of what gets implemented and what not only substantiates this argument of Niskanen carried forward by Buchanan and Tullock.<sup>13</sup> Starting from the first Administrative Reforms Commission (1966-1969) the directives which suggested internal controls became the haziest of policies till they dropped off the table of reforms. Bureaucracies are known to institutionalize non-performance for the sake of caution, politically correct action or budgetary constraint. Hence in the 1990s when the reform imperatives became stronger bureaucracy could not escape civil society partnerships and golden handshakes (privatizing public enterprises) which became indispensable for achieving reforms in areas where non-performance was institutionalized.

There has been a deluge of administrative reforms in India since the year 2000<sup>14</sup>. The government wanted to achieve what it could not in the

<sup>10</sup> <http://unpan1.un.org/intradoc/groups/public/documents/UN/UNPAN000385.pdf>

<sup>11</sup> Public Administration Review, vol. 56, No.1 p.7

<sup>12</sup> Niskanen, William A., Bureaucracy and Representative Government (1971) Aldine-Atherton, Chicago IL.

<sup>13</sup> Buchanan, J.M., and Tullock, G. (1962), The Calculus of Consent, University of Michigan Press, Ann Arbor, MI.

<sup>14</sup> A Conference of Chief Ministers was held on 24 May, 1997 in which an Action Plan for Effective and Responsive Administration was agreed upon. A serious stock taking of reforms in the central and state administration was undertaken as a result of which a Core Group was set up by the Government in November, 2001. Since then and following which, many recommendations have been finding way to reforming administration in India.

last sixty years since independence and failed to adopt what was achieved in the First Administrative Reforms Commission Report. The fact that the 15 voluminous reports transcend the traditional capacity of bureaucracy to meet reform imperatives, becomes the major obstacle to implementation. When implementation begins the major requirement would be to coordinate many different partners on a platform of equality. While this needs E- savvy administrators there is increased need for bureaucracy to inculcate a professional attitude in place of communitarian and country or caste based attitude. The need for increased coordination demands that bureaucracy should be willing to work with experts from different fields such as academia, voluntary organizations, local activists, technical agencies, non-government organizations and traders groups. Ironically, bureaucracy has failed to shed its traditional displeasure in treating many of them as equals. A study of best practices across the globe or a study of innovative administrative initiatives has shown that the ability of bureaucracy to honor partnerships becomes the corner stone of successful implementation. Whether one studies the 'Mahiti Shakti' best practice in the Godhara district of Gujarat which has been successfully revitalizing institutions from hospitals to local markets or 'Total Sanitation Programme' in Poorba Midinapore in West Bengal where administrative partnership with the NGO 'Abhyudaya' changed the face of villages or many others in the Indian neighbourhood like Sanmakhul Squatter in Kathmandu, Samruddhi in Sri Lanka or Prison reform in Karachi, there are bureaucrats who shed their egotistical barriers to communication and emerged as professionals and project managers. However this is so scarce and hence we get such few best practices to study. Bureaucracy has also been slow and hesitant to adopt most of its own initiatives launched by other departments hence the replication of best practices becomes difficult or ignored.

Bureaucracy has still been overburdened by routine administration even though good governance requires project management by administrators as professionals following time lines as sacrosanct. Much of the bureaucrat's time is shuffled off in hierarchy management rather than meeting project demands and learning from participation in them. This has led to hiring of monitoring agencies to bridge the expectations of the funding agency and requirements of bureaucracy. These monitoring agencies have become new power centres in administrative organizations as they have immense capacity to reorder projects and influence administrators to seek private benefits. They are the new middle-men in administrative reforms and a face for globally acceptable administrative reforms.

This suggests that bureaucracy alone cannot be trusted with implementing reforms. Nor can partnerships behave any better than bureaucracies or achieve sustainable implementation in the absence of scientific evaluation of bureaucracy's performance and policy's impact. Till many of these embedded entanglements are resolved the 15 reports of the Second Administrative Reforms Commission remain trapped into a rigmarole of these debates.

### **Streamlining performance and generating knowledge based governance to back up reforms**

The *Tenth Administrative Reforms Report on Personnel Administration* suggests that “*implementing the policies of the duly elected government is a core function of civil servants*”.<sup>14</sup> This function is challenged internally by a lack of procedural streamlining which is exacerbated by the conventional conditioning of bureaucracy. Ministries and departments dealing with rural development, Panchayati Raj (Local administration), Minorities and vulnerable communities, Women and Child Welfare where exceptionally sensitized and dynamic administration becomes the cornerstone of every program implementation, restructuring and reinventing of administrative architecture becomes indispensable. The cherished objective of these departments is to serve the interests of the vulnerable population of the country which has the weakest share in governance despite their big numbers and high value to the entrepreneurial activities taking place at the bottom of society. To increase their share of entitlements and strengthen their voice some innovative participatory processes need to be developed and put in place between them and the administrative organizations. *Hence the Report further suggests that each Ministry should introduce their work specific Performance Management System.*

To introduce a performance management system without any clarity about what the standards of performance are likely to be would only create more confusion in implementing reforms. *A double edged arrangement is most appropriate to suggest here for setting standards of performance for a bureaucrat; one, is to de-clog the demand side so that the noise of activism gets streamlined and clear, two, is to formulate and implement innovative performance appraisal systems for bureaucracy.* This would strengthen accountable and responsive

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<sup>14</sup> 10<sup>TH</sup> Report of the Second Administrative Reforms Commission 2008, ‘Refurbishing of Personnel Administration, Scaling New Heights,’ 5<sup>th</sup> Nov.2008, GoI. [http://arc.gov.in/10th/ARC\\_10thReport\\_preface\\_contents.pdf](http://arc.gov.in/10th/ARC_10thReport_preface_contents.pdf)

governance without de-motivating administrators as bureaucracy still has a large number of those who perform but have added incentive to be free riders in the absence of standards of performance.

To the former arrangement, Citizen's Charters (CC) are the best means to achieve this. The Tarahaat best practice which is successfully functioning in one of the most backward regions of India called Bundelkhand amply demonstrates the power of Citizen's Charters in letting the District administration know about what people want. This is the first level of knowledge generation amongst administrators and preparing them for reform implementation. Since 1997 almost every department of the State and Central government has CCs but rarely popularized and thrown to users. People may prefer litigation and court processes as the power of CCs has remained unexplored in generating knowledge based governance. The DARPG has set guidelines to enable the organizations to formulate precise and meaningful charters to set the service delivery parameters. The Department Related Parliamentary Standing Committee on Personnel, Public Grievances, Law and Justice 29<sup>th</sup> Report, 2008 recommends that Charters be formulated by each Ministry, Department and should be widely publicized through print and electronic media in a simple and spoken language. The Report on the Citizen's Charter (1997) in UK has concluded that it has made "a valuable contribution to improving public services". However, the much discussed failure of Citizens' Charters has been attributed to the neglect of internal administrative processes and structural flaws which hamper the implementation of a well intentioned and meticulously designed program for the beneficiaries. A Citizens' Charter without streamlining internal administrative processes leads to litigation, conflicts and unimplemented programs. It is this internal administrative process between the cabinet approval to the program to its formulation before it is packaged to state governments for implementation, which is the focus of this 'Blue-print of Good Governance' for the administrative machinery.

A Citizens' Charter cannot possibly succeed without an internal restructuring and reinvention process to precede the declaration of the Charter. As the liabilities are strictly individualistic on the particular civil servant in case of non-performance or any evidence of red-tape being used to delay and diffuse the public requirement. This is the greatest incentive to improve performance. Hence the Fourth Report<sup>15</sup>

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<sup>15</sup> Fourth Report of the Second ARC, 'Ethics in Governance' Jan. 2007, GoI. <http://arc.gov.in/4threport.pdf>

of the Second ARC suggests that *'Internal Restructuring should precede Charter Formulation'*

The need for internal restructuring is possible only with clearer accountability norms and standards. *This concept has been explained by the Public Service Committee in its First Special Report of Session 1996-97,*<sup>16</sup>

“There is a clear democratic line of accountability which runs from the electorate through MPs to the Government which commands the confidence of a majority of those MPs in Parliament. The duly constituted government-whatever its political complexion-is assisted by the Civil Service which is permanent and politically impartial. Hence Minister’s are accountable to Parliament; civil servants are accountable to the Ministers. That is the system we have in our country”<sup>17</sup>

Democratic accountability gets blurred with the lack of knowledge and technical skills available to administrative machinery. This leads to a defensive and delaying attitude of administrators leading to conflicts with an ambitious political executive who aspires to implement programs promised to the electorate. There are many areas of conflict between the political executive and the civil servant. The political executive may insist on a speedy disposal of policies but the civil servants may not be in a position to deliver due to many internal procedural, systemic and organizational obstacles. This may lead to disharmony between the political executive and the civil servant but more than that it may also spoil the image of the Minister before his/her electorate. The two areas which impinge upon the Minister’s insistence on speedy service delivery are well demarcated in the 10<sup>th</sup> Report (p. 275)<sup>18</sup>

1. Advisory role of the civil servants in policy making
2. Statutory role of civil servants
3. Discharge of delegated functions

The report has very authentically suggested, *“Once a policy or a programme has been approved by the elected government, it is the duty*

<sup>16</sup> Public Service Committee, First Special Report of Session 1996-97, Government Response to the Second Report from the Committee (Session 1995-96) on Ministerial Accountability and Responsibility, HC 67, Appendix, para 4.

<sup>17</sup> (Government Response to the Second Report from the Committee (Session 1995-96) on Ministerial Accountability and Responsibility HC 67, Appendix, para 4.)

<sup>18</sup> 10<sup>TH</sup> Report of the Second Administrative Reforms Commission 2008, ‘Refurbishing of Personnel Administration, Scaling New Heights,’ 5<sup>th</sup> Nov.2008, GoI. [http://arc.gov.in/10th/ARC\\_10thReport\\_preface\\_contents.pdf](http://arc.gov.in/10th/ARC_10thReport_preface_contents.pdf)

*of the civil servant to faithfully and enthusiastically see to its implementation. Not carrying out this task in the right spirit would amount to misconduct inviting appropriate sanctions”* (p.276). Ironically most civil servants slow down and sometimes halt implementation of a programme launched by the outgoing government after elections. Chapter 9 of the 10<sup>th</sup> ARC Report addresses this problem by suggesting innovative *performance review systems* on the experience of other countries for the Senior Executive Services (SES) which are the closest to the Ministers. Internationally the role of SES has been to provide leadership and management to improve the performance of government organizations. It provides a useful bridge between the policy making and its implementation. Based on their domain knowledge and experience in the sector, the SES is in a position to present information to the political executive in a manner that makes it possible for effective policy choices to be made. (p. 191)

The 10<sup>th</sup> ARC Report has directed new avenues towards improving the performance of civil servants. Performance Management is a new human resource model which reflects a change of emphasis in organizations away from command and control towards a facilitation model of leadership. This is also in line with the concept of ‘Reinventing Government’ and ‘Entrepreneurial Government’ which is result oriented and speed oriented. The fundamental principle about ‘what gets measured gets done’ leads us to the idea that the prelude to efficient management and implementable reforms is an ‘internal streamlining through proper work mapping, measurement of outputs and time-lines adopted for each work category. The Public Services Bill 2007 has proposed a Performance Management System for civil servants which includes;

1. Skill of Public servants
2. performance indicators
3. periodic review
4. performance appraisal reports

It is relatively easier to attempt an improvement in the performance of career public servants as they exist in India. The career based SES are found in India, Malaysia, Korea, Japan, Italy and France. At least the 2003 Surinder Nath Committee<sup>19</sup> Report which aspired to do away

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<sup>19</sup> In 2003 a group comprising former Union Public Service Commission (UPSC) chairman Surinder Nath, former secretary, department of personnel and training (DoPT) A K Agarwal, additional secretary, economic affairs, Prodipto Ghosh; IIT Delhi’s Vinaysheel Gautam and DoPT joint secretary, training, and O P Agarwal gave

with all fuzziness in implementing administrative reforms had strongly suggested the following to precede successful implementation;

1. Performance appraisal reports
2. Richness of work experience
3. Acquisition of formal professional skills

The 10<sup>th</sup> ARC Report further suggests that ‘Performance Management’ has two clear objectives (p.232), one is the ‘evaluation objective’ and the other is the ‘development objective’. The first builds administrative capacities for undertaking higher responsibilities and builds confidence of implementers. The second develops a vision to understand the team to diagnose competencies and challenges prior to implementation. Performance management is a cyclical process which includes planning work, developing capacities, appreciating and monitoring performance and lastly rewarding good performance<sup>20</sup>.

It is in the end of setting standards of performance appraisal that an effective and well functioning e-governance system can be implemented. Some subsidiary support may come from the most inexpensive e-File Tracking system, e-Approval process and the e-Despatch system to streamline performance at every level of hierarchy within the bureaucracy.

### **Conclusion:**

Bureaucracy continues to be the greatest obstacle to reforms as it refuses to shed or denounce its role as a ‘ringmaster in the circus of reforms’. The common perception that a political master has the capacity to obstruct implementation is only partially correct as the bureaucrat has enough support in the country’s legal framework to implement the right programmes despite political obstructions. The chief guardian of implementing reforms is the bureaucrat who has been complicating the reform processes by diverting the objectives, defying directions and slowing speed. The public choice theorists have argued that this is embedded into the nature of bureaucracy which suggests an economic analysis of the machinery to study behavioural aggregates in implementation. In the absence of streamlining of administrative procedures this tendency of bureaucracy becomes pathological. The paper suggests two methods of achieving a responsive, accountable

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a 115-page report titled ‘THE SYSTEM OF PERFORMANCE APPRAISAL, PROMOTION, EMPANELMENT AND PLACEMENT’ which became the guiding line for the 10<sup>th</sup> ARC Report.

<sup>20</sup> Michael Armstrong & Angela Baron. Jaico Publishing House.2002

and knowledge based governance. First, the demand side of reforms should be made effective through the strengthening of Citizens' Charters. Second, the supply side of implementation should be carry incentives for work through streamlining procedures in the performance appraisal systems for administrators. This would then require at least a minimal balancing with e-governance basic techniques for accrediting performance of bureaucracy. Thus reforms which are backed by the administrative streamlining of the demand and the supply side of performance carry the greatest guarantee for successful implementation in which the bureaucrat would willingly shed his/her cloak of a ringmaster to become a knowledge based confident leader of reforms.

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# **Public Service Accessibility to Indigenous Community**

## **A Case of Santhal Community in Nepal**

**Shree Krishna Shrestha**

### **Background**

One of the intriguing inquiries for a citizen in a democratic and pluralistic society is to find out own space in the context of exchanging relationship with the state. Expectations between citizen and state with each other pave the intensity, direction and duration of relationship. This relationship demands to be clear to determine the courses of actions that have to be taken place among the actors for undertaking non- spurious but specified contributory actions. Naturally, citizens expect the public service from government. It is generally thought that public services are not a privilege in a civilized and democratic society rather they are a legitimate expectation of the citizen. These are the basic services such as health, education, water and sanitation which are crucial for the well-being of the people. Services are inseparable part of public life and have been indispensable for maintaining, promoting and improving the quality of lives of people (Shrestha, 2004).

Irrespective of age and social background, every citizen expects government services designed and delivered in a way that takes their needs into account from beginning to end. Public services, directly or indirectly, affect every citizen. It is so because although there are varying degrees of dependency, no individual can live entirely isolated from the public service (Wilson and Hinton, 1993). Being such inseparable part of human life, there is a strong lacking for the consensus on the meaning of public service. The deficiency in the definition is compounded by the fact that public services could be gauged from various perspectives. It could be recognized from product or process or ownership perspectives. Based on the product perspective, besides the basic necessities of life such as air water, food, clothing, and shelter, human beings, unless being hermit, require many different kinds of goods and services to fulfill their various needs and necessities. Unimaginable it is to think that individual could produce the required services by own selves. The vast jumble of goods and service required for the human beings can be sorted and classified according to two characteristics; exclusion and consumption. On this

basis, the goods and services can be classified into four major forms (1) individual goods ( often called private goods), (2) toll goods, (3) common-pool goods, and (4) collective goods ( often called public goods) (Savas, 2001).

Human societies have developed several kinds of institutions to satisfy their needs; (1) the family, clan, or tribe – the most basic unit of society- which is , after all, the original department of housing, health, education, welfare, and human services; (2) voluntary groups of all sorts, including religious, charitable, neighborhood, civic, business, union, recreational, ethic, and interest-based affinity groups; (3) the market, and the varied organizations operating therein; and (4) government, an important agent for exercising collective action (Savas, 2001, p3). The combination of these service providers are determined, at the one hand, by economic and social situation of the community and, at another hand, the beliefs and values considered by people and government about the role of government. These arrangements have their different implications to public as well as government. It is believed that one of the fundamental reasons for the creation and existence of government is to provide goods and services that are intrinsically collective by nature.

The next dimension is the ownership. An initial distinction can be made between private and public sector , however all public sector activities ranging from park management to armed forces can not be classed as a public sector ( Wilson, 1993, Savas, 2001). Ownership will largely determine purpose. Private sector and public sector organizations can be crudely categorized as being concerned with profit maximization and service provision respectively (Wilson and Hinton, 1993). Public services is a term usually used to mean services provided by the government to its citizen, either directly or by financing private provision of services. The term is associated with social consensus that certain services should be available to all, regardless of income (Wikipedia). Bonser, MvGregor and Oster (1996) have remarked that "Government has two basic functions. The first is to govern or steer the public ship by making authoritative collective choices; in this regard, government is society's largest and most powerful decision making agent and action instrument. The second one is to provide for the production of public goods and elimination of threat to public welfare."

Nepal is a multi-ethnic, multi-lingual and multi-religious country with diverse cultures. According to National Census 2001 its

population of 23,151,423 people comprises some 101 caste and ethnic groups speaking over 91 languages and practicing eight different religious beliefs. The large majority of people live in hamlets scattered across the country. Though certain areas of Nepal are strongly associated with particular ethnic/caste groups, there is an extensive scattering of various ethnic/caste groups across the country. According to the census of 2001, indigenous nationalities comprise 36.31% of the population. The Indigenous nationalities are attributed the following characteristics: i) having their own language, religion, tradition, culture and civilization ii) having their own traditional egalitarian social structure iii) having their own traditional homeland specific geographical area iv) having written or oral history and V) identify themselves and are recognized and accepted by their community as indigenous (Ministry of Local Development , 1997). Indigenous nationalities are predominately concentrated in remote rural areas and mainly rely on subsistence farming for their livelihood. In comparison to the national average of 31 percent the population falling below the poverty line, 44 percent of the indigenous nationalities fall *below* the poverty line. During the period 1996 and 2004, poverty in Nepal was reduced by 11 percentage points. During this period, it was found that poverty of *brahmins* and *kshyatriya* was reduced by 46 percent, while that of indigenous nationalities was reduced by only 10 percent (Three Year Interim Plan 2008/09 to 2010/11, GoN).The average per capita income (Rs.13, 300) of indigenous nationalities was also relatively low in comparison (Rs.18, 400) to the per capita income of the *brahmin-kshyatriya* (Nepal Living standard Survey 2003/04).

Indigenous nationalities fall behind the national average in terms of commonly accepted human development indicators. The literacy rate of Indigenous nationalities at 48.8 percent stands below the national average. This looks even more dismal when compared to the literacy rate of 72.30 percent of the *brahmin-kshyatriya*. The literacy rate of women from Indigenous nationalities, estimated to be about 20 percent (Nepal Indigenous Women's Federation, 2006) The National Foundation for Development of Indigenous Nationalities (NFDIN) has declared 59 groups as indigenous nationalities and has classified these groups into five categories based on their population size and other socio-economic variables such as literacy, housing, land holdings, occupation, language and area of residence. According to NEFDIN, out of the officially listed 59

groups, 10 are classified as “endangered”, 12 as “highly marginalized”, 20 as “marginalized”, 15 as disadvantaged” and two are

classified as “advanced” or better off groups. Out of these Indigenous Nationalities Santhal is one of them considered to be highly marginally backward community of Nepal. This article attempts to present the public service accessibility and delivery to this community.

### **Service Delivery in Nepal**

More than five decades have been crossed Nepal's formal entry into a welfare state by announcing delivery of public services to its people through a planned development effort. Achievements made thus far are visible in the present state of human development that is directly linked to access to public services. Some service sectors performed well, while a number of other sectors need new strategies and efforts to produce positive results. Thus, performance has been mixed.

Findings of past studies on poverty show that there are spatial, gender and ethnic dimensions to poverty whether considering incidence, intensity or severity. For instance, incidence as well as severity of poverty is highest in Nepal's Mid- and Far-Western Development Regions where access to all relevant public services is also the lowest. Similarly, indigenous tribes and Dalits are the poorest and find it most difficult to access services. Their HDI is also the lowest compared to other ethnic groups and castes. In this way, women as well have an HDI considerably lower than that of men (NPC-UNDP, 2001).

By definition, the delivery of services is a set of institutional arrangements adopted by the government to provide public goods and services to its citizens. Therefore, it is the specific institutional arrangements that critically influence the performance of public service delivery. Decentralization of service delivery functions to local government bodies is the most popular mode in most countries. Decentralization is based on subsidiary principles of governance; a rule where provisioning, production and delivery of services are to be devolved to the lowest governmental tier, local bodies, subject to economies of scale and capacity. By virtue of being closest to the citizens, local bodies are better positioned to match supply of a given service to citizens' demands, transforming citizens from service recipient to client, and ensuring citizens greater accountability for service quality. Decentralization of service delivery is not a new concept in Nepal. It is getting more refined and attuned with the universal principle of devolution. The enactment of the Local Self-Governance Act 1999 is an important milestone towards continuous movement for decentralized systems of governance and public service

delivery. The Government is initiating the devolution of a number of service delivery areas to local bodies.

### **Government of Nepal's Vision and Policy towards Service Delivery**

The Government has recognized the importance of human development as essential for poverty reduction, the overarching goal of the nation. Human development achievements in turn have been critically linked with the effective delivery of public social services and basic infrastructures.

#### ***Education***

The principal focus of the government in the education sector is to improve both access as well as the quality of primary education. Side by side it aims at expanding literacy campaigns for the benefit of Dalits, particularly girls and deprived children. The main strategy for improving service delivery in the education sector is the transfer of school management to the community and local governance bodies and providing them support with grants in order to partially meet teachers' salaries.

#### ***Health***

Government policy to improve health services is largely contained in its health sector strategy announced in 2002. The key areas are extension of health care services to all, focusing more on poorer populations; enhancing family planning services; and controlling communicable diseases.

#### ***Drinking Water and Sanitation***

The main policy of the Government in this sector is to increase sustainable access to drinking water in rural areas by encouraging NGOs and community organizations.

#### ***Transport and Communication***

Recognizing the significance of roads in interregional unification and its critical role for overall socio-economic development, the Government has been giving priority to the development of roads in Nepal. The Government has sought to increasingly involve local bodies, communities and the private sector in the development of this sector. It is policy to devolve construction and maintenance of local level roads to link highways with the hinterland where economic production takes place.

### ***Agriculture Sector***

The major thrust of the Government in this sector is to increase productivity and generate rural employment, addressing underemployment. The Government has introduced three sets of institutional arrangements to promote the agriculture sector. These are; devolution of agriculture and livestock extension services to local governance bodies; polycentric institutional arrangements in agriculture input (chemical fertilizer) distribution by involving NGOs and the private sector, and management and operation of irrigation systems through Water Users Associations by revising respective legislation to allow them to levy water charges.

### ***Electrification***

The Government is pursuing the policy of increasingly involving the private sector in electricity generation. In the arena of alternative energy promotion and development, the Government has announced its long-term goal of meeting electricity needs through promoting and developing alternative sources of energy through local government bodies and the mobilization of communities and NGOs in rural areas. Other than electricity, promotions of solar energy and biogas have also been its goals.

### **Analysis of Service Delivery at the Local Level in Nepal**

The overall approach for the delivery of services in Nepal has been to match the supply side with

local demand so that ownership and sustainability can be achieved. Local demand is determined through various instruments and supply can be matched accordingly.

### ***Preparation of Periodic and Annual Plans***

As per the provision of the Local SGA, DDCs are to prepare five-year plans. As per guidelines, participatory bottom-up planning processes where all stakeholders; NGOs, civil society organizations, local business chambers and sectoral line agencies, actively participate has been followed.

### ***Citizen Charter***

Many local bodies have adopted citizen charters to streamline their service delivery functions as per the local demand. All local stakeholders have participated and greatly contributed to its preparation.

### ***Catalytic Functions of NGOs***

Following the restoration of democracy in Nepal, NGOs have taken on the role of articulating citizen's demand for services and have played a catalytic role in service delivery functions through social mobilization.

### ***Social Mobilization***

Social mobilization has been fairly well established at the local level as a popular approach for the empowerment of primary stakeholders as citizens begin to articulate their rights and demand services. Local resource mobilization through community organizations (COs) has also been very impressive.

### **Service Delivery Performance of Government of Nepal**

The performance of government in managing services in Nepal is not encouraging. As World Bank (2003) have noted that the services, such as health, education, water and sanitation, all of which are the responsibility of the state, are clearly failing to poor people- in access, in quantity , in quality. There are three dimensions of service delivery improvement. The first is information and awareness to the people. The lack of information is first barrier to citizens/ customers in dealing government institutions. All too often it is left to the individual citizen/customer to work out for him- or herself what services are available, and what he or she is entitled to. The second one is institutional performance. The focus here is improved performance in the application of policies, efficient systems, processes, organization, technology, infrastructure (including way finding and signage) and resources. The third dimension is at the individual performance level. Here, there has to be accountability that is linked to job descriptions and delegation of authority, education and training, commitment to delivering services, ethical conduct, effective placement in both back and front office, and appropriate performance management in areas of rewards and discipline.

Since the 1980s many developing countries including Nepal have started to devolve central government functions to local jurisdictions. It has been assumed that decentralization improves governance and public service delivery by increasing:

- *Allocative efficiency*—through better matching of public services to local preferences.
- *Productive efficiency*—through increased accountability of local governments to citizens, fewer levels of bureaucracy, and better knowledge of local costs (The World Bank, Prem Notes, no 55, June, 2001).

## **Indigenous Peoples and Relevant Policies in Nepal**

Nepal's complex social structure makes it challenging to define IPs in Nepal. The 2001 census has identified 100 different social groups in the country with over 92 languages and a mix of Hindu, Buddhist, Kirat, Animism and Muslim religions. Nevertheless, 2001 Census reports 8.4 million populations of 43 ethnic nationalities (37.2% of Nepal's population). Furthermore, Government of Nepal has recognized 59 different nationalities as indigenous peoples of Nepal who comprises about 37.2% of the country's population of over 25 millions. The Interim Constitution of Nepal commits the government for the protection and development of IPs. For the welfare of *Adivasi/Janajati*, the government set up a National Committee for Development of Nationalities in 1997. The parliament passed a bill in 2002 for the formation of 'National Foundation for the Development of Indigenous Nationalities (NFDIN),' which came into existence in 2003 replacing the previous committee. This foundation has been working for the preservation of the languages, cultures and empowerment of the marginalized ethnic nationalities.

The Three Years Interim Plan Paper (2007-2010) includes following policies for inclusive development of *Adivasi/Janajati* and other disadvantaged groups: (i) creating an environment for social inclusion; (ii) participation of disadvantaged groups in policy and decision making; (iii) developing special programs for disadvantaged groups; (iv) positive discrimination or reservation in education, employment, etc.; (v) protection of their culture, language and knowledge; (vi) proportional representation in development; and (vii) making the country's entire economic framework socially inclusive. NFDIN Act 2002, National Human Rights Action Plan 2005, Environmental Act 1997 and Forest Act 1993 have emphasized protection and promotion of indigenous people's knowledge and cultural heritage. In 1999, Local Self-Governance Act was enacted to give more power to the local political bodies, including authority to promote, preserve and protect the IP's language, religion, culture and their welfare.

### **Santhal Community: An Indigenous Nationality in Nepal**

#### ***Santhal***

Santhal is one of Indigenous Nationalities/Adibasi Janajatis considered being marginally backward community of Nepal. They belong to the Austro-Asiatic group of human families. They have also been called as a subgroup speaking a language belonging to the Munda family

(Dahal, BS2051/052). Their language is called Santhali. They have their own script, which was developed by Dr Raghunath Murmu in 1925. It is called Olchiki. Being animists, hunting and fishing were their favorite occupation that is being gradually replaced by farming. They are first settlers in Morang and Jhapa by clearing up the dense forest known as *Charkose Jhadi*. Few Santhals families in Jhapa (Guaradaha VDC of Jhapa) have been noted as they were brought as bonded labour from India. Some Santhal families in Jhapa district (Janthal, Haldibari and Rajgad) have come from Bangladesh. In Morang district, many Santhal families have been passed their fourth generations.

According to the Census of 2001, the total population of Santhal is 42,690. The religion of Santhal is called Sarna religion and they worship arrow and bow. But as they intermingled with other community they have been adopting other religion such as Beedin religion, Sanatn Kherwar religion, Haad religion, Hindu mainly in Morang district. The Santhals do not worship any idols nor do they make any temples of their deities.

### ***Occupation***

Just like most of the Santal tribes of Indian Territory, Santal in Jhapa and Morang work as cultivators. Some of them even take up the occupation of agricultural labors in the fields. With the end of every harvesting season also, some of these Santal tribes immigrate to certain other places and take up the job of daily wagers though on a temporary basis. However, till date, these Santal tribes are less proficient in the field of education and learning.

### ***Social Structure***

For better controlling and administration of the community, these Santal tribes have developed the concept of administrative system. All the head of the family constitutes the members of Santal tribes. The head of the Santhal community is called Manjhi Hadam. He is the chief of the executive, judicial and all other functions within society. He is assisted by Jagmanjhi (assistant head), paranik (advisor), Naike (Pandit), Gudit (security force and messenger) and Kudumkaike (Assistant pandit). Each of these office bearers has clear role and they involve in their respective fields to manage the community.

The traditional leaders or post bearers have been selected on the basis of consensus. They have a practice of continuing the leaders till

the majority of community members are not against with him. In some community leadership has been found continuing by same family and transfer from one generation to next. It has also been found that if Manjhi died his son gets opportunity to become Manjhi, but it could not happen then the second man Jug Manjhi gets the chance to becoming Manjhi. In Morang, Gudet is changed every year.

### ***Judicial System***

The Santhals traditionally had an organized judicial system for the management and solution of the various problems within the community. They make every effort to solve the social problems arising within their community by themselves. Manjihadam is the powerful village authority who settles, in consultation with other members of the assembly, all disputes; perform all religious rituals and makes community decisions. If Majhihadam cannot settle the dispute, he refers it to the Praganna (Majhihadam of five villages) and if Praganna fails to settle the disputes, he refers them to Deshmajhi (Majhihadam from all Santhal areas). Once the Deshmajhi fails to resolve the dispute, it is referred to Daheri. Daheri is the final authority who uses one discretion to resolve dispute. Daheri is an individual selected from among many majhihadams. Majhihadam is the legitimate institution recognized by the Sathal communities and it is still working effectively in the Santhal communities of Nepal.

### ***Social Norms***

The social activities such as marriage, death, birth, and festival celebration of Santhal community are generally governed by their unwritten social norms. One would be penalized if one breaks the social norms. The punishment may differ, it includes simply fine in cash, offering bottles of wine, ostracized and chased away from society, social exclusion, etc. Women are not allowed to attend social gathering and stay outside freely after marriage. If they attend such gathering, male accused them by different means and some of them faced torture in the families and also beaten. Most of the female works or engaged only household works male dislike with them if they chat with other male

### ***Social Leaders***

Social Leaders follow the participatory decision making process and consult with community members before making decision. They pay more concerns on building the harmonization and cohesion within the

community. At present, gradually the informal or cultural based decision making has been replaced by Village Development Committee and by Police basically in the case for dispute settlement.

### **Service Accessibility and Delivery in Santhal Community**

The underlying objective of the study is to assess the perception of the members of Santhal community about the presence of government of Nepal in terms of their accessibility and availability of services extended by Government. It was also intended to understand whether the perception of service accessibility and availability among Santhal community differ on the basis of their economic status and their nature of settlement. A survey was conducted during Dec. 2008- Jan 2009 in the Morang and Jhapa districts of Nepal where more than 90 % of total Santhal community reside.

### ***Methodology***

Surveys, Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs) were the tools used for generating the data/information. The survey has adopted the following procedures:

The selection of the sampling of VDCs, settlements and households (HHs) has been done on the basis of the following steps. First of all, district wise VDC mapping was made where the Santhal Community is residing. The community was categorized into 3 clusters based upon their nature of settinga (i) Settlement having majority Santhal population (ii) Settlement having mixed population (Santhal community with other community) and (iii) Settlement having minority Santhal population compare to other community. Further, in order to identify the households, the households of each cluster have been categorized into 3 economic level based upon the food sufficiency and food availability for them. It was done in a participatory approach with the community members in which these members helped to identify the households of different economic conditions. The first category belongs to those households who have food security for more than a year (12 months). The next category belongs to those household who can afford the food for less than 12 months but more than 6 months. The third category belongs to those households who can afford for the food less than 6 months. Altogether 553 households have been sampled for the study.

Table 1 Categories of sampling HHs

SN	Districts/VDCs	High	Medium	Poor	Total Households
<b>Jhapa</b>	<b>Majority</b>	18	23	62	103
	<b>Mixed</b>	8	17	54	79
	<b>Minority</b>	10	13	65	88
		36 (13.33%)	53 (19.63)	181 (67.04)	270 (100%)
<b>Morang</b>	<b>Majority</b>	11	44	138	193
	<b>Mixed</b>	4	4	31	39
	<b>Minority</b>	2	1	48	51
		17 (6.01%)	49 (17.31%)	217 (76.68%)	283 (100%)
	Total (Jhapa and Morang)	52 (9.40%)	103 (18.63%)	398 (71.97%)	553 (100%)

## Discussions

The following section describes about the information and service availability of santhal community.

### *Participation and Involvement in Politics*

As it is generally accepted that despite immense ethnic pluralism and cultural diversity, a significant portion of the population has largely been unable to participate in the development mainstream owing to their exclusion from the state's decision-making structures. The feudal socio-economic and political structures have excluded the minorities from the development mainstream. They are under represented in decision-making processes at all levels and lack proper access to justice and the State's resources. The members of Santhal community are mostly found their involvement in village level party politics and few have been elected as representatives in Village Development Committees. Their participation in district and central level in terms of their presence in the higher level decision making forum or committee is almost non-existence. They have participated in almost all rallies and demonstra-tions organized by political parties.

### *Decentralization of Service delivery vs. Involvement in Development Activities of Santhal Communities*

Government of Nepal's claims for providing public services through decentralization has been observed in terms of the level, nature and type of involvement of Santhal Community in development activities especially Drinking Water, Road, Canal, School, Hospital, Forest and

Electricity have been examined. The conventional notion for the decentralization as being closer to the people or community is hardly evidence in this community. The survey has found that the participation of Santhal community in *community drinking water* scheme is almost nil. There could be a plausible assumption that as they mostly use the tube-well, hence they may have less concern for community drinking water. With respect to *construction of road*, their participation is found limited to the implementation and they have never consulted in planning and decision making. In the sampling VDCs very few Santhals have recorded with farmland. They cultivated land owned by others, in this situation the landlord decides about the irrigation facilities. Hence, their participation in *canal construction* is negligible. In the case of their participation in *educational activities* in their community, it was found that some of the members of Santhal community have become the member of Community school that provide them opportunity to participate in school review meeting. None of the Santhal has got memberships in *Health management committees* in sampling VDCs. Santhal community is being asked for the participation in implementing various *community forestry activities*. They remain mainly as general members of community forestry except few places such as Surunga Ward No.8 where one member of Santhal has been nominated in executive committee. *Access in electricity* is hardly found in Santhal communities. Reasons of not access in electricity are: (a) they have no legal documents of land and house, (b) no citizenship certificates, (c) their habitant are out of main trail in the communities and (d) they can't afford such facilities.

### ***Perception regarding the need for Education***

Majority of adults are illiterate and found less serious about the need for education. Some are very sensitive to the value and need for education and they asserted that they need for education for understanding legal provisions, to know about loan, for jobs and to becoming healthy etc. They perceive that language is major barrier for joining in the formal education in the school as they think they are not good in Nepali language. They have traditional form of educating people which they call 'Mantar' and it still prevails.

### ***Expectations from Government and Community***

Group discussions with Santhal community have expressed various expectations from local and central government. They expect local government should provide land for them; it should help them to access in forest and river; local government should ensure their

participation in local level planning process; it should make arrangement for vocational education for adults and women; it has to ensure the primary education in their own language; and it should focus to provide other services such as irrigation, health facilities, public telephone, electricity, etc.

They expect that the central government should pay enough attention by listing this community as disappearing indigenous group. At the same time, the central government should ensure employment for each Household and also ensure their rights of natural resources and land. They also seek a separate autonomous state for this community.

The members of Santhal Community expect that the other community members should not behave them as untouchables. They also expect a respectful and dignified treatment from other community and should be given preferential treatment in participation in social development activities such as decision making process to sharing benefits of resources. They also seek the support from the other community to allow them to settle their live in government land.

#### ***Availability/Regularity of Security Service Provisions of Government***

Government of Nepal has made a provision of social security allowances for old, widow and handicapped people. The availability of Government's such allowances is tied with the Citizen Certificate. Most of the members of Santhal community were able to receive their Citizenship Certificate only in 2062/63 and those who are eligible to receive such allowances are devoid of it simple they asserted that they don't know the process of receiving such facilities.

#### **Knowledge about the Services delivered by government**

##### ***Awareness on government education policy and program***

It is believed that accessibility of services delivered by the government mainly depend upon the knowledge of the people about it. Government of Nepal has adopted a policy of free registration in the school and has a provision to provide scholarship to the students from the ethnic community. It is found that more than one fourth of the respondents have not aware about it.

Table Knowledge about education policy based on social setting

Description s	Don't know	Free registration	Scholarship	Both ( Free registration and scholarship)	Others	Total
Total	147 (27%)	77 (14%)	58 (10%)	255 (46%)	16 (3%)	553

Among the respondents, those who live in mixed cluster and high economic group have better information on government educational policy and the majority of the Santhal community who live in majority cluster and those who belong to poor economic group are less aware on government education policy.

### ***Overall literary status***

Literacy rate of Santhal in sample VDCs are found 35.1% out of which male are 45.7% and female are 24.6 % only. In comparison to district figures (Morang: 56.7% and Jhapa: 57.2%), the overall literacy status of Santhal is found less. Individually, literacy status of male and female is also less in sample VDCs of both the districts.

The overall dropout rate in the sampling cluster is 10%. Girl's dropout rate (8%) is comparatively lower than boys (12%). During the field survey, the study team observed that most of the children of these communities enroll their children in school. They attend classes up to five due to free education and the support for dresses and stationeries. Drop out percentage is higher after five classes. The key informants stated that high number of illiterate parents and poor economic status are the major causes for discontinuation of their education. Early child marriage (14 to 17years) is another cause for the drop out children as stated above.

The involvement of the members of Santhal community in higher education is not so encouraging. Only 8% of the total population of between the age of 16 to 25 years have been found attending in the higher education. Among this, involvement of female in higher education is rare. Out of sampled VDCs, only two person and that also male noticed having Bachelor Degree of education. In the course of field survey, key informants reported that after marriage women are restricted to go outside from the home. Due to the poor economic status, early marriage and strict social norms, women were found deprived from formal education.

About 51 % of the sampled respondents have agreed that they have been receiving the facilities provided by government's schools for their children. According to their response, members from mixed cluster (63%) and high economic group (85%) have comparatively better access in such facilities. It implies that majority of Santhal have not access on such facilities. According to the key informants, government owned schools provide books and cash (Rs. 250 to 300) up to class five only. Due to limited quota of scholarship, not all children have received such facilities.

### **Access in health services**

The access in general health services provided by government agencies and status of their usage covers the assessment about knowledge on common health issues such as HIV/AIDS, common diseases, sanitation practices, reproductive health and nutrition.

The major institutions providing health services are government run health post and hospitals, private clinics and private hospitals. More than 55% of the total respondents have acceded that they visit mostly to the local health post governed by government for receiving health services. Respondents from mixed cluster (62%) have been found frequent visitors to the government run health post than people living in majority or minority community. Very limited number of people visits to private clinic and hospitals.

It is attempted to know how far the Santhal community have been receiving health facilities such as vitamin A, polio provided by government. It is interesting to note that despite government's massive promotional activities to advertise the vitamin A and polio, only half of the respondents have found receiving such services. This service was received mostly those Santhal community who live in mixed cluster and those who have high economic status.

With respect to the receiving safe motherhood services which include antenatal, postnatal, health education by women of Santhal community, only limited percentage of women (15%) have found receiving such services from government-run health post. The trend of receiving such facilities is higher in majority cluster and medium economic group. It was observed that very few women are aware to go health institutions for taking safe motherhood services, however, women who visited for antenatal services answered that they usually do not use to go health institution for safe delivery except complication.

Concerning with knowledge about family planning, little more than 55 % of total respondents have acceded that they have knowledge about family planning and most of them belong to mixed cluster setting. Out of those who know it, only 72% agreed for the use of FP services. They use more temporary services than permanent and they receive such services from government institutions.

### **Water and sanitation**

Tube well is only source of water for this Santhal community. They do not have practice of boiling the water or other purification process.

Very limited households (12%) of total households interviewed have been found using toilet. Most of these toilets are temporary in nature. Comparatively, more members belonging minority clusters in social setting and from high-income group use toilets. Santhal Community love for keeping their residence clean and dirt free. Almost all the respondents agreed that they prefer keeping their residence clean.

### **Knowledge about HIV/AIDS, Communicable diseases and nutrition**

Moderate percentage of members of Santhal Community (37%) heard about HIV/AIDS and only 17% are aware about its relation with unsafe sexual behaviour. Majority of community members of mixed cluster (46%) and of having high economic group (73%) have accepted the knowledge about HIV/AIDSs. More than 67% of the respondents of the Santhal community know about communicable diseases. Only very few (less than 5% of total respondents) are aware about the water borne, air borne and transmitted diseases. A moderate percentage of respondents (28%) are found of having the knowledge about the nutrition and they know it could be fulfilled through providing the food.

### **General Findings**

Above analysis on the interrelationship among the access to information, access to services and availability of services shows that Santhal community who are living in the mixed community and those who belong to higher economic status have opportunity to access the information and have greater opportunities to acquire the services extended by government. It entails that there is intricate relationship between the accessibility of information and availability of services.

### **Summing Up**

There is no denying that grass-roots demand articulation is not complete. More efforts are required to mobilize marginalized groups so that they can articulate their demands and be brought into the development mainstream, ensuring their access to services. Similarly, a number of improvements are required to make government efforts technically and financially feasible. Nevertheless, significant advances have been made to mobilize average level citizens to assert their demand for services. Efforts have to be in place to make the information available for the local people and involve them to advocate it in their groups to have easy accessibility for the community. The current challenge of the Government of Nepal is to tailor a system that supports for institutionalize the information dissemination scheme to suit with approaching such groups.

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# **Decentralization and New Public Management**

## **An Analysis in Bangladesh and Nepal**

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### **Abstract**

*Decentralization lies explicitly or implicitly at every stage of governance reform agenda in many developed and developing countries and gained extra importance since the New Public Management (NPM) type of reform rhetorics has been initiated by the aid recipient countries during the last two decades. The contemporary global trend confirms that no reform can be expected in the aid receiving countries without touching the notion of NPM. The main intention of this paper is to analyse decentralization practices in two south Asian countries: Bangladesh and Nepal in the lie with NPM approach. Our finding suggests that despite regular past efforts both countries have failed to practice and implement decentralization policy in their governance system. It has been found that the recent decentralization policies of Bangladesh and Nepal are just the modified form of old policies. Moreover, both countries firmly emphasised on the structural and principal part of decentralization rather than their implementation. Confrontational political culture, the “winner take all” attitudes, patron-client relationship and bureaucratic elitism jeopardized germinating decentralization policy in both countries.*

**Keywords:** New Public Management, Decentralization, Public Administration, Bangladesh and Nepal

### **Introduction**

Although the NPM approach has been emerged in many developed countries, there is no doubt that many developing countries have taken the approach as a central policy agenda to meet the challenges of the 21<sup>st</sup> century (Polidano and Hulme 1999, Lynn 1998:108). The existing machinery of public administration is pushing ahead towards the ideas of co-operation and networking in order to overcome its limitations and to face the challenges of new millennium (Bourgon 2007, Frederickson 1999 in Bingham, Nabatchi and O’Leary 2005:548). As a result, in the current domain of public administration, the talk throughout the world is of reform, of the transformation of

governments: new forms of governance, new relationships between citizens and their governments and between public, private, and the non-governmental actors, new process of policy making (Lynn 1998:108). This trend has ultimately given opportunity rise to the emergence of NPM approach both in developed and developing countries (Homburg, Pollitt and Thiel 2007, Sarker 2006).

By meaning, the NPM approach promises a leaner and better responsive government, customer satisfaction, transparent central and local governance, better mechanisms of public accountability, partnership forms of governance and all these lead to a government that works better and costs less (Gore 1993, Pollitt 2002, Sarker 2006, 2005, Hood 1991, Samaratunge, Alam and Teicher 2008, Wallis and Dollery 2001). During the last two decades, NPM became a common phenomenon in many developing countries with different meanings. They have perceived NPM as one of the techniques of transferring power from the centre to local institutions in order to ensure people's participation in local development and better services to the local people. Bangladesh and Nepal are not an exception from this trend. Compared with other south Asian countries, Bangladesh and Nepal introduced, abolished and reintroduced the decentralization policy and more recently in the lie of NPM approach.

This paper attempts to observe how the decentralization policy has been followed in the perspective of NPM fashion reform and what challenges are there in practicing decentralization policy in these two culturally and geographically different countries? It is hoped that the findings of the paper will bring some significance to the state policy makers in Bangladesh and Nepal, and aid giving agencies as well. This paper has been divided into six sections: The Theoretical analysis of the concept of NPM is discussed in the first section. The theoretical overview of the concept of decentralization is presented in the second section. Decentralization practices in Bangladesh and Nepal is presented in the third and fourth sections respectively. The findings and general observations are presented in the fifth section. Conclusion is drawn in the final and chapter six.

### **Theoretical Notes on NPM Approach**

*“There is simply no theory that can provide generalized guidelines for an appropriate level of discretion in public administration. The same degree of discretion will work well in some societies and not in others; within the same society, it can be functional at one time period but not in another”* (Fukuyama 2004:104).

## **New Public Management (NPM)**

At present “New Public Management” includes nothing new. The term has been discovered almost twenty years ago as an umbrella concept which tried to discover a large set of ideas, both theoretical and practical. However, NPM is not a coherent set of ideas and tools. The labels may be the same, but the underlying story differs all the time. So, as has been said, “NPM is like a chameleon: it constantly changes its appearance to blend in with the local context.” (van Thiel, Pollitt, Hamburg 2007, 199.)

The idea of NPM approach is existed on the foundation of public administration and its core aims at to represent collective ideas, values and practices that following private sector practices in the public sector not separately but through a partnership governance among the public, private and the civil society organizations and thus strengthening the local governance institutions of developing countries (Bourgon 2007, Elander 2002, Kickert 1997, Kolzow 1994). The literature review demonstrates that the theoretical framework of NPM approach is popularly known by its characteristics rather than a single concrete definition. The characteristics of NPM, as proposed by the contemporary scholarships can briefly be outlined as, *privatization, contracting out, emphasis on output control, greater competition, private sector style of management practice, professional management, devolutionary form of decentralized governance, lean, flat and autonomous organizations, partnership forms of governance* etc (Hood 1991; Osborne and Gaebler 1992; OECD 1997; Hodge 1999; Pollitt 2001; Peters 2001).

From its characteristics, it can be said that NPM approach has entered into a new era of globalization with the essence of universalism and paradigm shift (Osborne and Gaebler 1992). Thus, partly NPM is a cultural shift away from the central bureaucratic government towards a participatory, partnership, decentralized and an entrepreneurial government. This kind of governance system has been suggested as more flexible, more effective, innovative, partnership oriented than centralized institutions that generates higher morale, more commitment, greater productivity, more opportunity of people’s participation in the development and greater devolution of power from centre to the local institutions (Cope, Leishman and Starie 1997; Scott 1996; Polidano 1999). NPM has also been influenced by the public choice theory. The public choice theory suggests that if public officials monopolize service delivery, then the result is oversupply and

inefficiency. On the other hand, if services are contracted out, then the pressure of a competitive market leads to improved performance (Boyne 1998, 474).

However, the NPM approach is under severe critics even by its proponents. The OECD claims that 'there is no single model of reform; there are no off-the-shelf solutions' to the problems of the bureaucratic state (in Lynn 1998:115). Wilson (1994) argues that some of reinvention principles are synonymous to making government behave like business even where it should not. While Skelley (2002) claims about the ambiguity of the results of the NPM reforms. Comparative empirical studies (Hodge 1999:462-463) alleged that there is no clear evidence that, for example, contracting through the private sector would make savings to the public sector in the costs. The scope of corruption in the systemic sense is noted. The openness of government may have been closed off from public scrutiny and accountability. Higher unemployment and the significant potential for increased undue influence by business interests have been kept as the signs of the extent to which NPM reform have been ideologically driven. Wilson (1994) further claims that Osborne and Gaebler offer no strategy by which agencies can be freed from excessive constraints and motivated to be mission driven (Ocampond: 252). Farazmand (1999) convincingly states that NPM serve as a deliberately designed intellectual arm of globalizing corporate capitalism while privatization and contracting out as the strategic instrument of implementing globalization process. Its normative nature and assumptions of human beings as rational economic actors driven by competitive self interest have also criticized. Terry (1999: 276) states that "[t]he blind application of business management principles and practices can undermine the integrity of public bureaucracies and so threaten our democratic way of life." Skelley (2002) refers directly to the ideological shift and the attempts to install NPM in the place of welfare-state.

It seems clear that NPM-approach is not a homogenous approach but a bundle of different reform policies. Barlow and Röber (1996) studied NPM-reforms in the UK and in Germany and noted that the reasons for NPM-reforms, the starting points and the instruments of reform vary considerably. Important variables are history and attitudes towards the State. The British approach has emphasized privatization, consumer orientation and competition where as many of German reform projects have focused more on models of internal rationalization, including systems of cost accounting and personnel management. The paper of Sozen and Shaw (2002) concludes that

changes in public sector management have to consider the cultural factors of public services and management models cannot be imposed unchanged. There is actually a range of alternative future patterns of NPM.

Although decentralization has been seen as an essential part of NPM-reform in general, Cope, Leishman and Starie (1997, 449) bring the British example into light and argue that in the British mode of NPM-reform both centralization and decentralization have been simultaneously in process: Governments have strengthened the power of their core executives by extending their influence far beyond central government and at the same time increased decentralization by diminishing operative control over policy delivery at the local level: “NPM increasingly centralizes the making of policy strategy in the hands of the core executive at the heart of government, embracing a closely knit network of senior ministers and officials” and similarly “decentralizes the delivery of public policy to a plethora of agencies, including local authorities, quangos and private contractors..”

Skelley (2002) makes difference between the Westminster model of reform in UK and the National Performance Review model in the United States. The former is more concentrated to privatization and contracting out and the later to the new performance measurement system. The effects to the public sector are quite different. The British public sector became much leaner but “six years of reinvention left federal government (in the USA) about the same size in scope and scale.” (Skelley 2002, 176). Some trends of NPM emphasize citizen participation in policy processes.

On the whole, the theoretical debate of NPM can be divided at least into three different approaches: the business like approach, the strong state approach and the decentralized state approach (see for example Pollitt, van Thiel and Homburg 2007, Osborne and Gaebler 1992, Hood 1991, Pollitt 1991, Peters 2001). The proponents of business like approach argue that the NPM should be more business, market and result oriented (Osborne and Gaebler 1992). This approach is seen as an updated version of the older tradition of Frederick Winslow Taylor. It is also described as Neo-Taylorist managerialism combined with public choice theory, organizational economics, agency theory and transaction-cost economics (Terry 1999). Hood (1991) and Pollitt (1991) could be regarded as the proponents of the strong state approach. They argue that the NPM approach ensures efficient, strong and competitive management system. The proponents of third

approach consider NPM as the more decentralized and partnership form of governance in developing countries (Peters 2001). Therefore, it can be said that the different countries have perceived NPM in their own perspective since the stages of development and contextual reality are different. This paper is based on the third approach of NPM.

### **Decentralization: Theoretical Overview**

The debate of centralization and decentralization in the discourse of governance and public administration is as old as the civilization. The concept of decentralization has got immense importance and occupied as a central policy agenda in a large number of post-colonial, developing and transition economies in Latin America, Africa and Asia. It has been argued that colonialism led strong state and centralized administration in most of the post-colonial countries. As a result, how to get rid of the strong central administration and how to transfer power to the local institutions are the key policy issues in the contemporary development debates. In addition, since the innovation of NPM style reform, the notion of decentralization becomes one of the leading good governance characteristics (Pollitt 2005, Hadiz 2004, Bradhan 2002). The affiliations of NPM and decentralization is profound and gets deeper particularly in the current realities of aid receiving countries during the last two decades.

Decentralization has always been described as a doctrine of sustainable development by relating it to the concepts of planning, management, popular participation and subsequent poverty reduction in the context of the third world (Ishii, Hossain and Rees 2007, Conyers 1985, Hyden 1983, Turner and Hulme 1997). Thus, it becomes as an integral part of implementing NPM notions in many developing countries.

Despite its growing popularity, the concept of decentralization is still dubiously used not only in the field of public administration, but also in the academic world of both developed and developing nations. The various interpretations given to 'decentralization' during the last three decades are now fairly familiar with scholars and public administration practitioners. It is also widely accepted that these interpretations are closely linked to the context in which they are considered a public policy (Hye 1985:1, Shrestha 2000:58, Conyers 1985:22). Thus, the issue of decentralization lies at the very heart of the dominant contemporary theories of public administration and management (Pollitt et al. 1998).

Reviewing the literatures on public administration and governance, two major schools are found concerning the theoretical debate of decentralization phenomenon: democratic decentralization and liberal developmentalist approach. According to the democratic decentralization approach, decentralization policy highlights local government as the institutional vehicle for promoting local democracy through political education, training in leadership, political stability, local consultation and more effective public accountability (Smith 1985). Liberal developmentalist approach highlights decentralization for better organizational performance providing goods and services effectively and efficiently, and fostering local development through people's participation (Mawhood 1987, Cheema and Rondinelli 1983, Conyers 1985). Hence, 'decentralization has been recommended inter alia as a cure for cumbersome decision-making at the centre; as a means of achieving greater popular participation and of empowering local communities; as an aid to planning, improved policy implementation and more effective delivery of services; as a way generating additional resources; and, at its widest, as a necessary pre-condition for small scale, ecologically sustainable development' through transferring power from centre to local (Conyers 1990 in Scott 1996:3).

The above analysis makes it crystal clear that there are numerous definitions of decentralization which can be measured under the different types of decentralization such as *administrative decentralization*, *political decentralization* and *fiscal decentralization* (Pollitt and Bouckaert 2000, Manor 1999, Dahal 1996). *Administrative decentralization* refers to the dispersal of agents of higher levels of government into lower level arenas i.e. when authority is shifted to an appointed body (Pollitt and Bouckaert 2000, Manor 1999). *Political decentralization* is just an opposite of administrative decentralization i.e. when authority is transferred to elected political representatives (Pollitt and Bouckaert 2000). *Fiscal decentralization* when decentralization refers to downward fiscal transfer, by which higher levels in a system cede influence over budgets and financial decisions to lower levels (Manor 1999:6).

However, these three types of decentralization could be more precisely discussed under its various forms. Four different forms of decentralization are widely discussed and used in the literatures of public administration and governance. They are: deconcentration, devolution, delegation and privatization (Cheema and Rondinelli 1983).

**Deconcentration** refers to the handing over of administrative or managerial responsibility to the field level civil servants of sub-national units within the line ministries or other sector specific national agencies (Martinussen 1997, Turner and Hulme 1997, Adamolekun 1991).

**Devolution** initiates the transfer of power to locally constituted political bodies with their own discretionary authority (Martinussen 1997). It is an organizational form of local government, which should be given autonomy and independence and be clearly perceived from a separate level, over which central authorities exercise little or no direct control (McCullough and Johnson 1989 in Rahman and Khan 1997).

**Delegation** implies the transfer or creation of local authority to plan and implement decisions concerning specific activities or a variety of activities, within the special boundaries of an organization that is technically and administratively capable of carrying them out without direct supervision by a higher administrative unit (Cheema and Rondinelli 1983).

**Privatization** is the shift of certain responsibilities from the public sector to the profit and non-profit oriented private sectors, commonly known as NGOs, and the greater interaction between the private and public sectors (Siddiqui 2000:6).

Among these four forms, devolution seems to be the most acceptable form of decentralization, as long as it is concerned with the notions of 'democratization', 'debureaucratization', 'participation' and 'partnership' in the development process (Rahman 1997:517). Good governance proponents state that devolution promises a more effective, efficient and accountable local government system, it ensures people's participation in local development, and it improves the quality of services delivered (Sarker 2006:525).

However, decentralization policy has not gone unchallenged. Its opponents argue that it is not a panacea. According to its opponents, decentralization policy has primarily failed to grasp the realities of developing nation in terms of their socio-economic structure, the relationship between groups and classes and the mechanisms through power is exercised (see for details Siddiquee 1997). The governance and administration of most developing nations in Africa and Asia are characterized by excessive centralization and as a result contextless in nature, because of their colonial history and traditional social structure (Haque 1996, Scott 1996). The concept of class or elite still plays the

dominant role in these societies (Olowu 2003, Smoke 2003, Conyers 2003). As Fukuyama states that 'the delegation of authority to state and local government in developing countries often means the empowerment of local elites or patronage networks that allows them to keep control over their own affairs, safe from external scrutiny' (Fukuyama 2004:97).

However, despite these criticisms, decentralization is considered as an important policy in empowering local institutions through greater people's participation in the local development. Thus, here we considered decentralization as a continuous social process of transferring power from the centre to the local institutions following devolutionary form that finally leads the process of democratization, empowerment and sustainable development in developing countries in general and Bangladesh and Nepal in particular.

## **Decentralization Practices in Bangladesh and Nepal**

### ***Bangladesh***

Bangladesh is one of the young states in the world. It has gained its independence in 1971 from West Pakistan after a nine-month bloody war. Compared with its size (147,570sq.km), Bangladesh has a big population (134.8 million) resulting in a high population density of 834 people per sq. km (BBS 2005:4). Majority of its population lives in the rural areas with massive poverty. It is alleged that Bangladesh is in a much worse situation than most of the developing countries of the world confronting poverty (Sarker and Rahman 2007:98). Bangladesh inherited weak political institutions, weak local governance system and elitist bureaucracy from its colonial rulers (Alavi 1979 in Sarker 2006:187). In order to overcome the inherited poor governance features of the country, each successive regime has been increasingly emphasized in the local governance decentralization policy since its independence. The country's decentralization policy has always been identified and considered as one of the vital means of establishing, practicing and enhancing a democratic political system in the country. Thus, it has become a central policy agenda in the Bangladesh state's approach to sustainable development particularly since the early of the 80s.

Soon after the independence, the first government (1971-1975) took the question of decentralization at the top and introduced three tiers local governance system: Union Council at village level, Thana (sub-district) Development Committee (TDC) at sub-district level and District Council at district level, through the Presidential Order No. 7

of 1972. The main objective was to transfer the central power to the local authority and ensure people's participation in the local development programme. Moreover, government formed an administrative reform commission 'Administrative Reform and Services Reorganization Committee' (ASRC) in 1972 for creating a competent, people oriented civil service in the country. Unfortunately, the final report of the commission was not formally published (Siddiquee 1997, Khan 2000, Rahman 1997). However, the first government was not willing to implement decentralization policy in the country. Huque (1988:49) states that "over four years following independence, then, virtually no attempt was made to reconstruct the local government in Bangladesh. The Awami League was, prior to independence, the party of the deprived East Pakistani bourgeoisie demanding an equal share of the capitalist pie, could hardly meet the political expectations of a nation comprised mostly of landless laborers and small farmers living in the rural areas. Political activities were concentrated on the capital and participation was monopolized by urban residents who had easy access to the centre of power."

During 1975-1991, two military and qua-military regimes run the state. Soon after assuming the state power, the first military government (1975-1981) initiated a committee to reform the service structure, which in fact, did not involve any changes to the local government structure of the country (Asaduzzaman 2008). However, in 1980, the government introduced a grass root based local institution called "Gram Sarker<sup>1</sup>" (Village Government), with the motive of transferring power to the villagers and ensure local development by local participation. Although, it was an admirable attempt, it is claimed that the than military government was more ambitious to capitalize and mobilize the local power in favor of his new political party, rather than establishing a capable local institution. Through the Gram Sarker policy, Zia was planning to extend his party structure at the village level and motivate the local voters. As a result, this policy has failed to bring any changes in the local governance system of Bangladesh, and finally, was dissolved by the following regime.

In the period of 1981-1991, the second military government took up the question of decentralization at the top of a series of other reforms and appointed a high level Committee for Administrative Reform and

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<sup>1</sup> The Gram Sarker was a body consisting of a gram pradhan (village executive) and eleven elected members representing different sectors of the village (see for details Haque 1988).

Reorganization (CARR). The fundamental responsibility of the committee was to review the existing structure of the local governance and recommend a capable and citizen oriented devolutionary form of local institution that was close to the NPM approach (Khan 1987, 1985, Siddiquee 1997). Based on the recommendations of the committee, the government introduced “Upazila Parishad”, a devolutionary form of decentralization, (Sub-district Council) in 1982 at the intermediate level in between the Union Council and the District Administration. The major landmark of the Upazila decentralization policy was the provision of an elected Chairman and this was the first time that an elected office replaced the field level bureaucracy in the public administration history of Bangladesh. However, the contemporary studies claimed that despite its democratic nature, Upazila decentralization programme failed to fulfill the criteria of devolutionary form of decentralization. It was in fact dependent on the central government on three major aspects: policy making, financial matters and personnel matters (see for details Aminuzzaman 1993, Alam, Huque and Westergaard 1994, Zafarullah 1997, Siddiquee and Hulme 2000, Ingham and Kalam 1992, Schroeder 1985, Khan 1987). Such dependence led to massive corruption and mismanagement at the local institutions (see for details Asaduzzaman 2008).

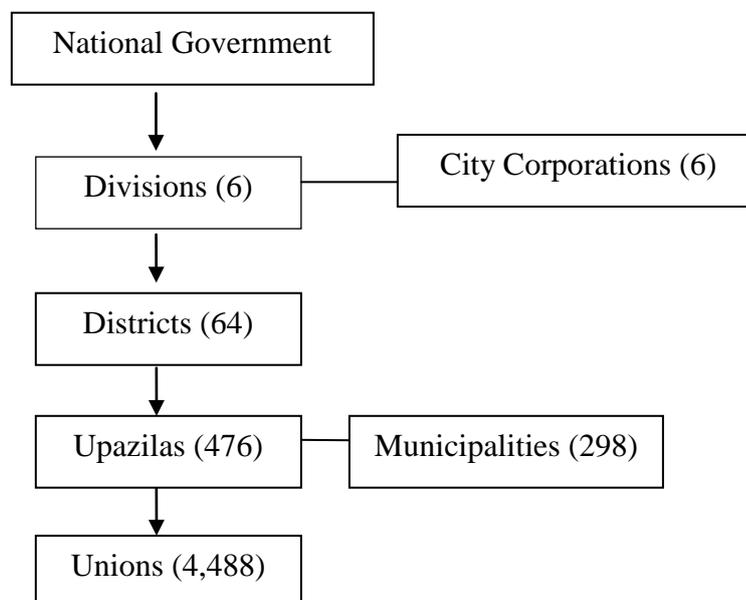
After returning to the democratic atmosphere in 1991, three successive regimes (1991-2006) ruled the country in 1991, 1996 and 2001. In 1991, the Bangladesh Nationalist Party (BNP) came to the power. During 1991-1996, the BNP government dissolved the Upazila decentralization policy and appointed a reform commission named “National Committee on Local Government Structure” in 1991 soon after assuming the power. However, the recommendations of the commission were not implemented during the whole period. The contemporary evidences confirmed that the government has failed to introduce decentralization policy at the local level, but rather reinstated the bureaucracy at the local governance institutions in the name of decentralization. During this period, local institutions had very little decision-making power, virtually no scope of people’s participation in local development and pushed central-local relations back to bureaucratic control (see for details Asaduzzaman 2008, Sarker 2006, 2003).

In 1996, the Bangladesh Awami League (AL) came to the power and reinstated the Upazila Parishad system. In addition, the AL also appointed a high level local governance reform commission in 1997. The commission recommended four tier local governance systems:

Village Council at the bottom level, Union Council in between Upazila Parishad and Village Council, Upazila Parishad and District Council. However, the irony was that the recommendations of the commissions were not implemented during her five years rule (Sarker 2006, 2003). The BNP once again came to the power in 2001 with the alliance of other three political parties. During 2001-2006, the government followed the decentralization policy that has been recommended by the earlier government with a little change. In 2003, they reintroduced Gram Sarker policy of Zia regime in the place of Village Council. However, the interim government abolished the Gram Sarker policy in 2007. Although, both the governments from 1997-2006 have agreed and realized that the Upazila decentralization policy is the useful gateway to transfer power from the centre to local, failed to held Upazila election in their ten years tenure. This is in fact a big unexpected and indefensible failure of democratic regimes since 1991 in the political history of Bangladesh.

After all these reforms and dilemmas since the independence (1971-2009), the present local government of Bangladesh has been working under five territorial units, and these units have direct or indirect corresponding local government bodies. They are Divisions (6), Districts (64), Upazilas (476), Municipalities (298), and Union Parishads (4,488). The following figure shows the hierarchy of local government units in Bangladesh.

Figure: Local Government Units in Bangladesh



The Union Parishad (UP) is the lowest tier of the local governance institution in Bangladesh and it is run by the elected officials. There are 13 elected officials: one Chairman and twelve members of which three

are female members. The Upazila Parishad is the second lowest unit of local government in Bangladesh which is headed by the elected Chairman. The two other units, Division and District are completely run by the public officials.

The third Upazila Parishad election was held under the present government on February 2009 and most of the elected Upazila Chairmen are the member of the ruling party. The irony is that soon after the Upazila election, the present government has changed Upazila law by the Parliament which reduces the vested power of Upazila Chairmen and gives the law makers sweeping authority over the Upazila Parishad in their constituencies. This is again a clear violation of democratic values and which is very inconsistent with the spirit of the Bangladeshi constitution. The constitution clearly states that state should ensure effective participation by the people through their representatives in administration at all administrative levels (Article 59/2). The new law drastically restricts the legal functions of the local government bodies and invades upon their autonomy as prescribed in the constitutions. The course of the new law has already led to a situation where law makers cannot but be in a potentially confrontational course with elected Upazila Chairmen and Members which finally leads to conflicts and squabbles over dominance within the local branches of political parties, to the detriment of the people inhabiting particular local regions (Editorial, The Daily Star 17.4.2009)<sup>2</sup>.

The Bangladesh Upazila Chairmen Forum alleged that lawmakers have already started creating complexities in the functioning of Upazila Parishad across the country (The Daily Star 20.4.2009). They further claimed that the new law empowers the lawmakers instead of empowering local institutions. As a result, they have threatened to declare law makers in their local areas *persona non grata* unless the government revisits the new law. On the other hand, the local government Minister warned that ‘this kind of activities of the Upazila Chairmen might lead to a dangerous situation and if parliament deems that Upazila Parishads are not functioning properly, it can abolish the local government tier. And a one-line bill will suffice to do so’ (The Daily Star 17.4.2009)<sup>3</sup>.

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<sup>2</sup> Editorial, The Daily Star, <http://www.thedailystar.net/newDesign/news-details.php?nid=84301>, accessed on 17-04-2009

<sup>3</sup> Staff reporter, The Daily Star, <http://www.thedailystar.net/newDesign/news-details.php?nid=84301>, accessed on 17-04-2009

It seems from the above discussions that decentralization has always been considered as a central policy of strengthening local institutions and ensuring people's participation in the local development. Particularly, it has found that since 1982 decentralizing local government (through introducing Upazila system) in the lie with NPM approach became policy agenda in Bangladesh. However, despite several attempts, the package of decentralizing and reforming local administration remain unimplemented due to some factors such as bureaucratic bungling, conflicting political culture, patronage distribution, partisan interest and massive corruption (Sarker 2006). It has also found that each regime unhesitatingly discarded the policy of its predecessor without reviewing its rationale, extraneous and endogenous factors relating to its success and failure, or its immediate or long term potential on the target population.

## **Nepal**

Nepal has recently moved to the federal democratic state from the long history of the kingdom and become the world's youngest Republic in 2008. The decentralized local government structure of Nepal can be divided into four tiers. They are (1) Development Regions (5), (2) Administrative Zones (14); (3) Districts (75); and (4) Village Development Committee (VDC) (3913). The basic tier of local government is composed of the local bodies in villages and municipalities. A village has three local bodies: ward committees, a village development committee and a village council. There are nine wards in each village, and each ward has a committee that is composed of five members. One member is the chair and one must be a woman. All members are elected by adult franchise. The VDC is the executive body of local government and control over the development activities (ADB 2004).

Compare with other South Asian countries, Nepal situated to a typical geographical location with land-locked nature (see for details Atreya and Armstrong 2002, Dahal, Uprety and Subba 2001). More than 83 per cent of its total land is being mountains and 17 per cent is land (Siddiqui 1992:227). The society of Nepal is largely known as least developed<sup>4</sup> with the features of massive poverty, corruption, illiteracy, poor health, social ill practices and political instability (see

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<sup>4</sup> Per capita income \$340, unemployment rate 42%, labor force by occupation-agriculture 76%, industry 6% and services 18%, literacy 48.6% (see for details CIA World Fact Book, World Bank (2008) World Development Indicators, revised 17 October,2008,(<http://siteresources.worldbank.org/DATASTATISTICS/Resources/GNIPC.pdf>, accessed on 11.2.2009

for details Dhakal 2006, Shrestha 1996). Despite huge efforts and external assistance in the last few decades, the country prolongs to remain rural with more than 90 per cent of its population living in the increasingly crowded and poorer villages with extreme low per capita income (Siddiqui 1992, Dhakal 2006, Doftori 2004). To facilitate development efforts at the grassroots level, decentralization local governance policy has become an important phrase in the discourse of development in Nepal since seventies. As a result, more than thirteen commissions and task forces have made recommendations to guide decentralization in Nepal in the past 50 years. Here, we presented the portrait of local governance decentralization policy of Nepal, i.e. how has the policy of decentralization been initiated in Nepal to meet the notion of NPM, the most contemporary striking trends of governance?

The history of decentralized local governance of Nepal is deeply rooted in the Kirata period and since then its local governance system has been run by the various rulers in different phases of its history<sup>5</sup>. However, the decentralization of local governance got a new shape in 1951 for the first time in the Nepalese history of public administration, although the Village Panchayet, a village level institution was introduced during the Lichhavi and Malla period (Khan 1991:70). In the Interim Period (1951-1959), several Acts were launched to build up local governance and devolve power from the centre to the local. In 1952, the government established the Village Development Board at the centre and the Village Development and Cooperatives, District Development Boards and Block advisory Councils in order to provide state services to the local inhabitants and ensure their participation in the local development and decision making process. In addition, the interim government promised to introduce democratic and decentralized local governance through the vertical decentralization of power where the local people would be the main development actor. However, the regime failed to implement its policy due to political instability which had been created by tri-dimensional political conflicts among the political leaders, interest groups and traditional leaders (see for details Dahal, Uprety and Subba 2001, Siddiqui 1995).

During the Panchayet system<sup>6</sup> (1960-1990) several attempts were taken to practice decentralization policy more effectively and

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<sup>5</sup> The Kirata period about 700 B.C-225 A.D., The Lichhavi Period 225-899 A.D, The Dark Period 899-1200 A.D., The Malla Period 1201-1769 A.D., The Shah Period 1769-1846 A.D., The Rana Period 1846-1950 A.D., The Interim Period 1951-1959, The Party System Period 1959- 1960, The Panchayet System Period 1960- 1990 ( Siddiqui 1992:229)

<sup>6</sup> Four tiers of Panchayets were introduced by the King Mahendra, they are National Panchayet, Zonal Panchayet, District Panchayet and Village Panchayet (Siddiqui 1995).

efficiently such as, *The Decentralization Plan 1965*, *District Administration Plan 1975*, *Integrated Panchayet Development Plan 1978*, *Decentralization act 1982*, and *Decentralization Working Procedure Rules 1984*. The Panchayet system has been considered as the landmark in the public administration history of Nepal. In 1962, the Constitution of Nepal highlighted that the Panchayet system shall be the main vehicle of people's participation and decentralization of powers (see for details Siddiqui 1995). Among the Panchayets, Village Panchayet<sup>7</sup> (VP) is considered as an important point of empowering local institutions and local people through exercising the values of democracy. It is also argued that the VP introduced some particular composition in the village where the villagers could voice their opinion and seek redress for their grievances. However, despite a legal framework many argue that VP has failed to reach its destination due to strong interventions of the District and Central Panchayet. It is claimed that power sharing was very hard because of misinterpreting the meanings of decentralization by the power holder. It was meant the central control of local units, top down development and upward accountability. Therefore, decentralization under this regime emerges as blended of de-concentration and delegation of administrative power at the local level rather than a true devolution (Tiwari 2008, Shrestha 1996, Siddiqui 1995, and Dahal, Uprety and Subba 2001).

In order to make local institutions more competent, the new Decentralization Act was introduced in 1982 with aims of further decentralization of authority, people's participation in local decision making process, and greater demarcation of authority between bureaucrats and elected functionaries of Panchayets etc.

In 1990, soon after returning to the multiparty democratic system, the Constitution of the Kingdom of Nepal<sup>8</sup> made powerful provisions for decentralization and committed in establishing the participatory governance system by involving local people in the development process. Thus, the main concern of the government shifted from the traditional public administration to NPM approach i.e. development through people's participation and decentralization accompanied by reduced state intervention in producing and delivering goods and services (Dhungel 1996, Dangal 2005, Gautam 2008). Keeping these in mind, a High Level Decentralization Coordination Committee was

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<sup>7</sup> Village Panchayet was responsible to collect taxes for local development activities. Many functions such as education, health, roads, sanitation etc. were also given to the VP.

<sup>8</sup> According to the Constitution of the Kingdom of Nepal 1990 has recognized decentralization as means to ensure optimum involvement of the people in governance and provide them opportunities to enjoy the benefits of democracy (NDF 2002).

formed headed by the Prime Minister in 1996 and as a result, the Local Self-Governance Act (LSGA<sup>9</sup>) was enacted in 1999 (Nepal Development Forum (NDF) 2002). The recommendations of this committee were made in the light of NPM approach for the first time in the history of Nepal. The most important recommendations were to create the wider scope of people's participation in the local development programs through proper decentralization, mobilization and proper distribution of local resources to the geographically disadvantaged areas and groups, encouragement and involvement of other state actors such as civil society, private sector and NGOs in order to establish a partnership based governance system, privatization, and effectiveness of public service delivery. In addition, the government introduced another programme called 'Build Your Village Yourself' in 1995 with slogans like 'Power to the Village and Development Programme through People's Participation'. The main objectives of this programme are to accelerate local development through the utilization of the locally available labour, resources and institutions without external intervention and make the local body independent of the central government (Dahal, Uprety and Subba 2001).

After the big changes in the political history of Nepal in 2008, the present government has been following 'The Local Self-Government Act of 1999' and 'Local Self-Governance Regulation 2000' to run the local government. According to these acts, there are two tiers local government units in Nepal such as District Development Committee (DDC) and Village Development Committee (VDC). VDC is the lowest local government units and there are 3915 VDCs in Nepal. The officials of VDC are directly elected by the people. Since the elected officials are terminated by the present government, the public officials (civil servants) are now in charge of this body. DDC is the upper unit of local government which comprises both by the elected officials and the governmental appointed officials. The election of DDC has not been held since 2002 and like VDC; DDC has been running by the government officials.

From the above analysis, it seems that since 1990s the Nepalese government has introduced some reform policies in the lie with NPM

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<sup>9</sup> The LSGA has introduced for creating a conducive environment to spread the fruits of democracy, institutionalization of participatory development, involving socioeconomically background groups through responsible and accountable local bodies. The development of the local leadership and capacities to make the local bodies a vehicle for the local self governance (NDF 2002).

for making local government more effective, participatory and result oriented. Decentralizing and delegating of administrative power, establishing democratic local institutions, emphasizing voices of local people in the development process, procedural simplification, improving service delivery were the main objectives of those reform which are closely related with NPM approach. However, despite many attempts, the decentralization practice is not successful in strengthening and establishing capable and powerful local governance in Nepal for several reasons. They are (1) lack of political willingness and bureaucratic intervention is resulted in resistance to the devolution of power to the local Panchayets; (2) malfunctioning the implementation of the programme itself frustrated the scheme; (3) lack of coordination at both central and local level remained an impediment to the scheme and most importantly (4) unequal relationship between castes and ethnic groups in plural Nepalese society (Shrestha 1996, Bhattachan 1996, Siddiqui 1992, Dahal, Uprety and Subba 2001, Gautam 2008). As a result, decentralization policy in Nepal had found it difficult to roots.

### **Observations**

From the above analysis it seems that the experiences of decentralization policy in the lie with NPM approach in Bangladesh and Nepal are not satisfactory. Although, both these nations are historically, geographically and culturally different, they have recurrently emphasized and recognized the decentralization policy as a means of overcoming the features of undemocratic governance<sup>10</sup>. It is found that despite their regular past attempts; the successive governments of Bangladesh and Nepal have failed to practice the decentralization policy in their governance system. As a result, independent, people oriented and empowered local elected governance institutions have not emerged in these countries in one hand, and the local people are still far from the benefits of decentralization and NPM. The finding shows that despite their failure in implementing decentralization policies over the years, both of these countries have established local governance institutions though they are influenced by the conflicting political culture and administered by the Weberian sense of bureaucracy (Vartola 1999).

Reviewing the contemporary literatures on public administration and international development, certain preconditions are identified that

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<sup>10</sup> Features of undemocratic governance: severe poverty, massive corruption, elitist bureaucracy, political instability, dependent judiciary, informal economy, centralized administration and partisan politics.

are essential in order to practice decentralization policy successfully. In brief, they are democratic central and local political system, fair administration, trustworthy central and local relationship, strong enabling framework, strong local capacity, substantial locally mobilized resources, good taxation policy, independent judiciary, political capacity and non-elitist type of bureaucracy (Smoke 2003, Sarker 2006, Manor 1999, Schick 1998, McGill 1997, Wallis and Dollery 2001, Bale and Dale 1998). It is believed that if the country fulfills these preconditions, the train of decentralization policy would be able to reach its end. Although most of the industrialized nations have fulfilled these conditions, many aid recipient countries do not in general, Bangladesh and Nepal in particular. Confrontational political culture, partisan politics, elitist and unethical bureaucratic attitudes, massive corruption, nepotism, favoritism, dependent judiciary and of course limited resources are the obstacles practicing decentralization policy in both countries.

This paper found that political disinclination and bureaucratic elitism are the major challenges on the subject in these two South Asian countries. The evidence shows that the ruling parties in power are not willing to loose their influence over local institutions in one hand, and civil servants are reluctant to loose their control over local institutions, on the other. Many claimed that 'democracy in South Asia is not about people, it is about access to state power. Entrance to political arena is driven by a desire for personal gain, not by a genuine commitment to serving the people. State resources are the most valued prizes for both politicians and their constituencies. A client-patron relationship has evolved out of this impulse, between the holders of state power and those seeking public services. Ultimate authority over resources lies in the hands of individuals not formal institutions bound to follow set procedures. Where power is highly personalized and weakly institutionalized, the political process is replaced by arbitrary and informal transactions' (UNDP 1999 in Blunt 2002). It has also been argued that decentralization is not likely to happen unless key political leaders and elites agree that it should and will occur. Nor it happens unless it is acceptable, at least not objectionable, in a major way to the rank and file to those affected and to their concerned opinion leaders. It must also be logically, technically and economically feasible (Kochen and Deutsch 1980:21).

According to the World Bank (2000) 'the central constraints on Nepalese development over the last few decades has not been the paucity of the financial resources, but the lack of effective governance

and well functioning institutions’ (in Atreya and Armstrong 2002:4). Similarly, the recent past Anti Corruption Chairman of Bangladesh categorically emphasized that abusing power is the main problem in Bangladesh than the bribery<sup>11</sup>. It seems that the problem of governance is severe in implementing decentralization policy in both aid dependent South Asian countries rather than natural resources (Werlin 2003). As a result, both countries have not been able to practice decentralization policy over the years. Instead, factual cliques and parochial group interests determine the foundation and behavior of local governance institutions and reform benefits (Ara and Khan 2006). The most interesting feature of these two countries can be summarized as ‘laws are changed, structure reorganized, people moved around, manual altered, and institutions revised, but the same behavior patterns are continued. The administrative culture, its beliefs, values, priorities, norms are hardly touched’ (Caiden 1991:152).

Avoiding the practice of ‘old wine in a new bottle’ and sandwiching types of policy, how to ensure the practice of decentralization in order to strengthen local governance in Bangladesh and Nepal should be the main concern of the policy makers. The major challenges and obstacles that are identified have been developed in these two countries over centuries and cannot remove with the blink of an eye. In these circumstances, decentralization policy should be seen as a continuous process and both countries need a long term integrated reform policy in order to practice decentralization policy effectively and efficiently giving up the traditional let alone approach (Jreisat 2004, Werlin 2003, Peters 2001). The NPM approach clearly recommends the decentralized partnership form of governance. The partnership form of decentralized local governance is expected to be the best ground in where people could learn the art of good governance through their own experiences which might gradually lead to reduce the political and bureaucratic influence over the local governance institutions and ensure the practice of decentralization policy at the grassroots level in Bangladesh and Nepal.

### **Concluding remarks**

In administrative change there is even more question about the immediate political power interest. At the same time the general economic problems and especially the problems of the economic maintenance of the bureaucracy would force reform upon it. The problem of success of decentralization efforts should according to our

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<sup>11</sup> [www.bdnews24.com/details.php?cid=2&id=27110](http://www.bdnews24.com/details.php?cid=2&id=27110), accessed on 1.11.2007

understanding be understood through the tension between conflicting development tendencies. The rationality problems of society force the state interventions to be increased to the relatively autonomous social relations. The preservation of the existing system of domination presupposes effective bureaucracy. Economic problems make it difficult to maintain a large bureaucracy. Bureaucratization means a risk of a decrease in the legitimacy of the system, because the material maintenance of the bureaucracy and belief in its legitimacy is continuously more difficult. The nature of political domination, the development of capitalism and globalization, the need to preserve the fundamentals of legitimacy and the self-interest of bureaucracy are, among others, the central factors, through which the failures of decentralization efforts can be understood. (Vartola 1979, 199)

It has not been our task in this article to analyze and evaluate the present situation of local self-government in Bangladesh and Nepal. In both countries there exist elected local government institutions. However, on the basis of ever continuing process to start new decentralization movements and programmes we have a good reason to believe that the level of self-government is not yet satisfactory.

Finally, the following three conclusions are made based on the whole discussions:

1. The failures of decentralization policies seem to prove that in countries where there is a long colonial tradition with highly centralized, “contextless” administration, the decentralization is in fact extremely difficult.
2. The problem of structural change depends on many factors. However, reforming administration is only seldom a popular issue. Therefore the change demands large political support and legitimation. This, again, demands policies which are capable to “sell” the idea and probable benefits of reforms to public and to other parties. Yet, the ever continuing power struggle sets the obstacles for all this.
3. We do not have any particular reason to believe that the implementing of NPM models can help in changing the situation. It may be tempting for those in power because it can give the illusion of better governance for the people. But because managerialism, the growing power of managers, is a fundamental part of NPM thinking, decentralization in the sense of NPM can also mean the diminishing of democracy in local administrations.

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# **Governance in Administration and Judiciary in Bangladesh**

**Mohammad Mohabbat Khan**

## **Introduction**

Governance as a topic has generated interest and enthusiasm among scholars, practitioners, policy makers and civil society activists throughout the world. The preoccupation with governance is not a new phenomenon. The concept has been mentioned as early as fourteenth century. What is new now in terms of intense discussion and deliberation on governance is its utility as an umbrella concept. The concept's growing importance has been the resultant of the retreat of the state, increasing influence of civil society in the state policy-making process and globalization of world economy. There is now an agreement among scholars that the role of state has changed. A collaborative relationship must evolve between the state, market and civil society premised on interdependence, steering and networking (Khan, 2002: 202). Functions of the state have now been restricted to three: minimal, intermediate and activist (World Bank 1997).

Minimal functions include providing pure public goods like defense, law and order; property rights; macro economic management; public health and improving equity meaning protecting the poor. Intermediate functions include addressing externalities that in turn contain education, environment; regulating monopoly; overcoming imperfect education; insurance, financial regulation and social insurance. Activist functions include industrial policy and wealth redistribution. The above-mentioned description of the functions of the modern state has been given by Fukuyama (2004:9) and is based on World Bank Report of 1997 that indicated that for proper discharge of minimal, intermediate and activist functions the state needs cooperation and assistance from other sectors of the society – like the private sector and the third sector as well from rich countries.

The paper focuses on the (i) meaning of governance and characteristics of good governance; (ii) state of governance in administration and judiciary in Bangladesh; and (iii) state of “good governance” in light of the past and present developments in administration and judiciary in Bangladesh.

## **Governance**

Governance is both a popular and a difficult concept. It is popular because people are easily attracted to it. It is difficult because it is not

easy to come to a complete agreement as to the exact meaning of the concept. Definitions of the concept abound. But there is little unanimity of opinion as to the meaning of the concept. Questions are raised as to whether it is a concept or a term or it can be used in both senses.

Some keeping the broader canvas in mind have defined governance. Here the focus is on the relationship between the civil society and the state. Thereby a deliberate attempt is made to differentiate the study of the governance from the study of government. The important variables are effective and accountable institutions, democratic principles and electoral process, representation and responsible structures of government, open and legitimate relationship between the civil society and the state (Halfani, et. al., 1994:4). The inherent belief here is that credibility and legitimacy of government can be achieved through accountability, transparency, responsiveness, real participation, and public consultation. What is important here is the relationship between the civil society and the state on the one hand and retaining the credibility of both politicians and governing institutions on the other. In a similar vein the OECD's definition of governance includes public administration and the institutions, methods and instruments of governing, and also incorporates relationship between government and citizen (including business and other citizen groupings) and the role of the state (OECD, 1996: 158).

### **Good Governance**

Good Governance is a variant of governance. The increasing focus on good governance has resulted from the need to concretize what is actually governance with the emphasis on normative qualities. Good governance emerged in the vocabulary of development in the 1980s primarily because of the influence of powerful institutions like the World Bank (Kruiter, 1996:1).

Attempts have been made to 'discover' principles behind good governance and /or delineate its essential features through two routes. The first tendency has been to look for the symptoms of poor governance. These include:

- failure to make a clear separation between what is public and what is private, hence a tendency to direct public resources for private gain;
- failure to establish a predictable framework of law and government behavior conducive to development or arbitrariness in the application of rules and laws;

- excessive rules, regulations, licensing requirements which impede the functioning of markets and encourage rent-seeking;
- priorities inconsistent with development, resulting in misallocation of resources;
- excessively narrowly based or non-transparent decision making; and
- excessive costs, poor service to the public and failure to achieve the aims of policy (World Bank, 1992:4; The British Council, 1991).

The characterization of poor governance has been attempted with the belief that its opposite is good governance. Knowing about symptoms of poor governance would enable one to avoid it and look for key features of good governance. The key features of good governance are:

- promotion of democracy and open pluralistic societies;
- political freedom, including free speech and a freely-elected parliament;
- constitutional and judicial protection of the rights of the individual;
- promotion and respect of human rights;
- strengthening of transparent, accountable, efficient and effective national and local government;
- reinforcement of rule of law, including fair and accessible legal and judicial system;
- anti-corruption initiatives;
- promotion of independent media and dissemination of information;
- reduction of excessive expenditure on military;
- maintenance of stable currency;
- executive accountability to freely-elected legislature; and
- development of society as a whole by education and health care (OECD, 1992; Stowe, 1992).

The features of good governance can be endless. But knowing about essential features enables one to have vision and direction as to what needs to be done for future betterment of his/her country and what needs to be avoided at all cost.

### **State of Governance in Administration and Judiciary in Bangladesh**

State of governance in administration and judiciary in Bangladesh is far from satisfactory. Successive governments have deliberately and willingly continued with an administrative system that is inefficient, ineffective, corrupt and unproductive. Reform commissions and committees were appointed from time to time to diagnosis the ills

afflicting the administration and to make timely and appropriate recommendations. The reform bodies came up with a number of meaningful recommendations to overhaul the system. But in most cases their recommendations were not implemented. Some of these committees and commissions' recommendations and their fate are discussed below.

In the case of judiciary, until recently, governments after governments violated the spirit and articles of the Constitution and did not separate judiciary from the executive. Even last two elected governments went as far as coming up with excuses after excuses for not separating the judiciary from the executive even after the highest court of the country provided clear and specific directives in this regard. Below some of the recent developments pertaining to the separation of judiciary and its independence are discussed.

### **Administration**

Popularly elected governments in Bangladesh did very little to bring about meaningful administrative reforms to revitalize the administration. Since the birth of Bangladesh as an independent country thirty-seven years ago as many as seventeen major administrative reform and pay commissions and committees have been appointed and all have submitted their recommendations (Khan, 2007:94). The 'radical' recommendations of major reform bodies like the Administrative and Services Reorganization Committee (ASRC) were never implemented; in the case of Pay and Services Commission (P & SC) some of its major recommendations were implemented in modified form. The last major reform commission the Public Administration Reform Commission (PARC) also made a number of significant recommendations relating to improvement of service delivery; creation of functional cluster of ministries; developing professionalism and creation of a Senior Management Pool (SMP); overcoming inter-cadre rivalry and facilitating fast-track promotion; introducing strictly merit-based recruitment and promotion; rationalization of institutions and manpower; effective parliamentary oversight of administration; creation of a public administration reform and monitoring commission; and creation of a powerful and independent anti-corruption commission (PARC, 2000: iii). Excepting the last recommendation none of the other major recommendations have been implemented.

Donor's interest in administrative reform has been noticeable even since the late 1970s (Khan, 2007:96). Donors such as World Bank (WB), Asian Development Bank (ADB), United States Agency for

International Development (USAID), United Nations Development Program (UNDP) had been in the forefront to efforts to inject meaningful reforms in administration.

USAID sponsored Public Administration Efficiency Study (PAES) recommended among others reducing layers in decision making, a two-tier career system, increasing incentives for higher performance and wider use of merit as a criterion for promotion (USAID, 1989:1-3). UNDP funded Public Administration Sector Study (PASS) recommended establishing results –oriented management throughout the government; selecting and promoting officers on merit and through transparent process; strengthening Public Service Commission; appointing a reform implementation commission; and replacing cadre and class system with a personnel management system based on a position classification system (UNDP, 1993:103-110).

Significant recommendations pertaining to administrative reforms were made by two World Bank studies titled *Government that Works: Reforming the Public Sector (RPS)* and *Taming the Leviathan (TL)*. RPS recommended enhancing the level and nature of the accountability and responsiveness of public organizations to their owners (i.e., parliament, citizens and consumers); streamlining regulations, level and process to ensure transparency and fairness and accountability of legal and regulatory institutions, policing and practices; and maintaining an efficient; committed and professional public service (World Bank, 1996: xvi). TL, on the other hand, offered a broad based strategy to ensure good governance. These had five dimensions: strengthening core institutions of accountability; building civil society; decentralizing to bring government closer to people; making public administration more effective and efficient; and mobilizing national efforts to bring about needed reforms (World Bank 2002:ix). None of the major recommendations of donor sponsored reform bodies has been implemented.

The last caretaker government did very little to reform and revamps the administration. The role of the Cabinet Committee on Administrative Reforms and Good Governance in reform initiation and policy planning was highly unsatisfactory. It has met only once in a year (Daily Star 21 July 2008). The Human Resource Management Committee of the Establishment Ministry formed a subcommittee at the end of last year for drafting a civil service ordinance and policies for promotion, transfer, career planning and strengthening field administration. The subcommittee submitted a number of drafts last year. A five- member Civil Service Authority (CSA) was

recommended to discourage political interference in administration. Other recommendations of the subcommittee included: posting and promotion on merit-based performance, need-based training and voluntary retirement for civil servants after fifteen years in service (Daily Star 21 July 2008). None of the recommendations were implemented.

Even the much publicized citizen charter initiative of public organizations, intended to provide effective and timely service to the citizens, has failed to improve service delivery in public organizations and remains merely as a pious statement.

The last caretaker government, instead of implementing reform measures suggested by its own committees and subcommittees, like the past governments, kept on constituting more committees to bring about “dynamism” in administration. The case in point was the formation of yet another committee by the caretaker government headed by the Additional Secretary, Cabinet Division to find ways and means to facilitate administrative and fiscal decentralization (Jugantar 6 August 2008).

### **Judiciary**

The Constitution clearly stipulated that the judiciary must remain separate and independent from other branches of government. Still the executive continued with impunity to violate the Constitution. In 2000 in the Secretary vs. Masdar Hossain case the Appellate Division of the Supreme Court gave a landmark verdict to separate the judiciary from the executive. The verdict of the highest court included 12 directives. These directives are considered as road map for implementation of the Supreme Court’s verdict.

The Supreme Court outlined the future steps in the following manner:

- i. creation and establishment by the President of a distinct, altogether separate, judicial service including a magistracy exercising judicial functions;
- ii. establishment either by legislation or by framing rules under Article 115 of the Constitution or by executive order having the force of rules, a Judicial Service Commission composed of members from the senior judiciary and subordinate courts, for recruitment to the judicial service based on merit, with the objective of obtaining equality between men and women;
- iii. promulgation of laws or rules or executive orders having the force of rules relating to posting, promotion, grant of leave, discipline,

- pay, allowances, pension and other terms and conditions of service consistent with Articles 116 and 116A of the Constitution;
- iv. establishment of a separate Judicial Pay Commission as part of the rules to be formed under Article 15 of the Constitution to review pay, allowances, and other privileges of the judicial service;
  - v. promulgation of laws, or rules or executive orders having the force of rules to secure the essential conditions of judicial independence, namely security of tenure, security of salary and other benefits, and institutional independence from the parliament and the executive branch; and
  - vi. securing financial independence (as quoted in Rahman, 2006:3-4).

Since the pronouncement of the Masdar Hossain judgment successive elected governments took 23 adjournments to defer implementing the judgment on various plea up to February 2006 (Annual Report, 2007: II).

The last Caretaker Government took a firm stand to conclude separation of the judiciary from the executive based on constitutional directive principles and Appellate Division's judgment in the Masdar Hossain Case (Annual Report, 2007:II). A number of actions followed. Four service rules, i.e., (i) Bangladesh Judicial Service Commission Rules, 2007, (ii) Bangladesh Judicial Service (Pay Commission) Rules, 2007, (iii) Bangladesh Judicial Service Commission (Construction of Service, Appointments in the Service and Suspension, Removal & Dismissal from the Service) Rules, 2007, and (iv) Bangladesh Judicial Service (Posting, Promotion, Grant of Leave, Control, Discipline and other Conditions of Service) Rules, 2007 have been enacted and changes were brought in the existing Code of Criminal Procedure 1898 by Ordinance No II and No IV of 2007 (Annual Report, 2007:11-12).

As a result of framing and effectuation of four service rules and changes in the Criminal Procedure Code of 1898 the judiciary was finally separated from the executive branch on 1 November 2007.

Assessing “Good Governance” in Administration and Judiciary in Bangladesh

In light of the discussions above it may be pertinent now to assess the state of “good governance” in administration and judiciary in Bangladesh. To do this an attempt is made below to match some of the key features of good governance with that of situation obtaining in administration and judiciary in Bangladesh.

### **Politicization**

One of the basic impediments to good governance is the politicization of administration and judiciary. Effects of politicization in recruitment, placement training and promotion have been the erosion of morality and poor productivity (Khan 2003:401-402). The successive governments politicization have, on the one hand, placed incompetent people in various key posts in the civil service because of their political “loyalty” and on the other hand, deprived the nation of the services of some of her gifted officials (Siddiqui 2007:84). Transparency International (TI) in its Global Corruption Report (GCR) 2007 stated that Bangladesh failed to ensure full independence of judiciary and the politicization of the judiciary is one of the major reasons behind judicial corruption.

### **Accountability**

Accountability throughout the public sector has been termed as weak and fuzzy (World Bank, 1996: vii). Traditional internal mechanisms like hierarchy and supervision have mostly failed to ensure accountability in administration (Khan 1998: 166). Weak accountability has been the result of a number of factors. These are breakdown of departmental supervision and monitoring, process monitoring rather than result monitoring, anti-work culture, lack of parliamentary oversight and insufficient monitoring and superintendence of lower courts by the highest court (Siddiqui, 2007: 83-85; Islam n.d.:45).

### **Transparency**

Decision making in the public sector still lacks transparency as secrecy is jealously guarded with certain acts like the Official Secrets Act, 1923 and Government Servants (Conduct) Rules, 1979 (Khan, 2008). TI observed (GCR, 2007) that to overcome low public confidence in lower judiciary it merits serious attention. First, judicial and prosecutorial appointments and removals must be transparent and based on experience and performance. Second, journalists must be allowed to monitor and comment on legal proceedings freely. Third, the prosecution must conduct judicial proceedings in public and publish reasons for decisions.

### **Corruption**

Corruption in Bangladesh is systemic as well as systematic (Khan, 2009). In Bangladesh corruption affects each of us but specially the poor. Petty corruption, middling corruption and grand corruption are widely prevalent in this country.

Different surveys undertaken by the World Bank, the Transparency International Bangladesh (TIB) and Bangladesh Enterprise Institute (BEI) during the last few years have shown that all institutions of public life like the law and order agency, the judiciary, the service sector and financial sector are extremely corrupt (Khan, 2007:118-119).

### **Rule Of Law**

Reinforcement of rule of law is not possible without fair and accessible judicial system. Powerless and downtrodden segments of the society must feel that they have equal rights and protection under law. But the criminal / civil justice laws have been described as anti-poor, a lot of discretion allowed to prosecuting authorities, slow disposal of cases with provision for frequent postponement characterize these laws (Siddiqui, 2007: 86). The lower judiciary, on the other hand, is “tainted by corruption, inefficiency and callousness towards the common man like the police” (Siddiqui, 2007:86). Accessibility to justice for majority of women, minorities and tribals is yet to be materialized. Rich and affluent can sometimes escape punishment while the poor and working class people are denied justice.

### **Conclusion**

In Bangladesh good governance is yet to take root in administration and judiciary. In most instances the principles of good governance are still missing in both administration and judiciary. Serious efforts have not yet been made to implement in administration the far – reacting administrative reform proposals of government and donor appointed reform bodies. While a positive change of course is now seen in judiciary with its formal separation from the executive but how this separation will enable the judiciary to be independent remains to be seen.

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# Multi-Level Education Policy Governance in Sri Lanka Prospects and Challenges

Renuka Priyantha

## Abstract

*As a strategy of restructuring decentralized institutional policies, multi-level governance (MLG) has become a widely discussed concept in the context of the European Union in recent past. Yet, MLG of state policy functions (alone with both vertical and horizontal dimensions) cannot be simply confined only to the European Union as it is a global trend in national administrative reforms. One of the basic concerns here is to apply MLG construction to map out the Sri Lankan political-administrative structure of the education policy arena. In this chapter, I examine MLG in terms of complex interrelationship between central government, other levels of political and administrative units and the civil society drawing particular attention to the general education policy in Sri Lanka. During the past two decades Sri Lanka has worked on a set of education policy reforms from central to regional levels. The focus of the education policy reforms was to increase the institutional and organizational capacities based on both efficiency and effectiveness of fulfilling public expectations as well as the democratic accountability of policymakers at different levels of government. Some of the objectives for dispersing certain education policy competences to different levels were; political motives of widening public participation in policy matters, level of funding motives and efficiency and effective motives. Have we achieved these expectations? If yes, to what extent have they been achieved? What constraints have to be encountered against the effective functioning of education policy? These are the main questions I try to address in this chapter. Locating education policy in a multi-level system, this is done using both secondary and primary data collected mainly from a survey of education service personnel from the Ministry of Education through all educational administrative levels to principals of schools during December 2008 and July 2009. The main conclusion of the chapter is that though attempts were made to shape the administrative structure more multi-level oriented, it is yet to make impressive to the public. If structural and functional arrangements of MLG to be succeeded, the*

*responsible authorities should learn from past failures and take necessary actions to overcome issues and constraints for achieving overall policy objectives.*

**Keywords:** Multi-level Governance, Education Policy Regime, Public Participation, Democratic Accountability and Policy Implementation

## **Introduction**

Sri Lanka is one of the countries in the developing world that has maintained an enduring higher record in human development outcomes (especially providing health, education and social services) relative to low level of per capita income. In terms of education, the country has invested a lot even before it achieved independence from colonial power of the United Kingdom. At least, three reasons behind the great performance of the education system could be highlighted; 1) policy makers in early 1940s have understood the importance of allocating more funds on education as a strategic long-term investment of public resources, 2) they further believed that state investment in primary and secondary education should be the priority rather than tertiary education, and 3) recognizing the need of delivering primary and secondary education for whole community (Aturupane 2008). On the other hand, governance structure of education in the country is complex in a sense it's institutional arrangement. It consists with all forms of decentralization including delegation, deconcentration and devolution. Due to this fact, organization of education sector is commonly identified as a decentralized system implying that competences and powers have been dispersed toward vertical dimension. However, it is better to understand that education system of the country has structurally been arranged along with vertical as well as horizontal directions. In such a situation I argue that the organization of overall education system is portrayed a broader multilevel governance formation rather than limited version of decentralization where the power and the control dispersed top-down direction. My contention is that studying general education policy system<sup>1</sup> to be comprehensible it should be studied in term of MLG perspective. Here I seek to identify MLG structure in the interaction of central and rest of the governing bodies of education policy arena.

The aim of this chapter is threefold: first, it aims at acquiring a broader depiction of education system in Sri Lanka while shedding a brief light on adoption of universal free education policy to current

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<sup>1</sup> Sri Lankan education system is classified into three tiers; general education (from grade one to grade thirteen), university education and vocational education. In this study, I touch upon only about general education.

education system. Why? Because features which illustrate the educational development at present are products of the historical evolution. Second aim of the chapter is to locate the education system in a multilevel governance framework. For a better understanding of the structure in terms of MLG, a theoretical discussion will be made referring to recent literature on the concept. Last section discusses the prospects and challenges of viewing education policy through MLG perspective.

### **Post-Independence Education System; an Overview**

For Sri Lanka, 1940s can be considered as the significant for the development of education sector. During this period the then Minister of Education appointed a committee to have an investigation of colonial education system especially on general education to identify the shortcomings and weakness and to propose suitable reforms and innovations needed to be remedied them. At this period, country's education system was fragmented into two groups; one who got the education from state governing schools in which the medium of instruction was English, was considered as superior whereas the others got their education in local language(s) were considered as second class people of the country. Due to the lack of support from the governments to nurture a home-grown education system where the local languages could be used as a medium of instruction, vast majority of non English speaking people could not get the higher education and had to stick to their own agricultural activities. This fractured mentality overran every sector of the state right after the independence in 1948 and even today it is noticeable that sort of shadows are appeared in the public sector positions. Furthermore, the committee found that the compulsory education was not compulsory due to several factors including lack of resources to accommodate all children who are in the age of schooling yet not schooling, poverty and economic difficulties, less educated family background, and no legal requirement of sending children to schools. Apart from these, there was no proper organizational structure to deal with education policy and therefore overall management and coordination was hardly done in this period.

After having diagnosed these weaknesses in the existing system of education, committee brought up several remedial proposals to reshape it for future generation (Sessional Paper XXIV 1943).

- Free education should be provided from the kindergarten to university level

- Education should be organized under primary circle (from grade 1-5, with unique curricula format) and post-primary circle which was comprised with two subdivisions (from grade 6 to 9 junior secondary education and from grade 10 to 11, senior secondary education)
- Throughout the primary circle, medium of instruction should be the mother-tongue, and from junior secondary circle, education can be given either in mother-tongue or in English. In either case, other language should be taught as a second language.
- There should be an accepted system available for setting up new collages and amalgamating existing collages
- Request should be made from urban and town councils to contribute to the national education system by sharing the functional and financial responsibilities. As an initiation, these councils should take the core responsibility of providing primary education.

These and other proposals of the committee are treated even today as historic in a sense that those were generations in advance of their time (Aturupane 2008). The main argument of the committee was that if an education system is designed for a society, the content and the structure of the system should be based on the nature and the characteristics of the particular society. Even though, some of the recommendations were incorporated, the system of education was based on the previous legislations and organizational arrangements made by successive governments. Particularly, the system was legally based mostly on the Education Ordinance of 1939. Since the independence in 1948, education system was depended on these ordinance proposals to a greater extent and later on it is noticeable that timely needed amendments and new proposals were bringing into the education system to make it more relevant to the contemporary needs. The followings are such significant reforms made to the education sector in Sri Lanka (Singhal et al. 1989).

- Freezing the number of assisted schools- 1957
- Takeover of assisted schools- 1961
- Report of the committee on relevance in education- 1979
- Free textbooks for schools children- 1980
- White paper on education, proposals for reforms- 1981

In general, it is clear that education policy in Sri Lanka was not constant and frequent changes affected its long-term goal achievement. Parallel to the government change, education system was also changed.

Sometimes, it can be seen that the emphasis given on education by different governments was varied to a certain extent. On the other hand, public participation in the system was very low or not at all. This is true under the colonial time as well as after independence (Perera and Palihakkara 1997).

When carefully examining the Sri Lankan education system from colonial era to the present, one may notice that three remarkable deviations are underpinning. In the colonial period, perhaps even before that, education management was highly centralized either to the denominational institutions or to the state where the ordinary populace could not be able to contribute or participate in policy formulation process. Since the independence, even a decade prior to it, efforts were taken to bring the system more close to the public and for that reason made it rather decentralized from highly dominated single domain. As I'll elaborate in a subsequent section, due to this decentralization, a number of institutions came into existence at the central level itself or local and regional levels. Though, one of the expectations of this sort of decentralization was to enhance the public participation in the policy process of education, it was not materialized due to the fact that the state had not been socialized to the same extent that the society was politicized. One of the strengths of analyzing the present context of education policy regime in terms of MLG perspective is that it opens more windows through which more non-state actors and general public can bring their voices to the policy process. Before proceeding to that discussion, it is worthy to have some insights on what is MLG and how it is important to apply for a policy analyze.

### **What is Multi-Level Policy Governance and Why it is Important?**

In organizational and policy discourse, MLG is attracting a growing interest of practitioners as well as scholars in numbers of fields and in different geographical regions, despite its origin was restricted to the EU structural policy analysis (Prado 2007). MLG is an important concept for analyzing institutional or structural arrangement of policy process (in broader sense, political process) between territorial layers. Garry Marks defines MLG which is now considered by several writers as somewhat parochial in a sense of its scope, as; “*a system of continuous negotiation among nested governments at several territorial tiers*” [within which] “*supranational, national, regional and local governments are enmeshed in territorially overarching policy networks*” [Marks (1993) cited by Stubbs (2005:3)]. Marks's definition consists with two aspects that convince us to differentiate older

versions of intergovernmental relations and different conceptions of governance. Firstly, it describes the structure of MLG that how the system has been arranged in a way that different actors incorporated to a single nested organization. Such a nested structure might imply either political arrangement or particular policy process. To Marks's definition, this structuring comprises with different actors including supranational, national, regional and local levels and increased vertical interdependence and interaction between those actors. In this context, MLG analysis reflects that different governments operating at different territorial levels are comparatively powerful as they have been transferred some competences from the national government upward to supranational level and downward to regional and local levels. Therefore, these policy actors now play a significant role in the entire policy process without much intervention from the central government. Conversely, this means that national government has given out some portfolios from its control. Though, in the EU context this has been occurred upwards to the supranational actors and institutions, generally, MLG places more stress on sub-national actors. However, it is clear that due to this process, state has lost some authoritative control in the policy process (Bache 2008).

Second, the above conception by Marks points out that MLG functions on the basis of negotiation among different actors. It means that negotiations can be occurred in anytime at any phase of policy cycle, particularly policy formulation, and policy implementation. Even if the early framing of MLG, based on Europeanization, attempts to understand the interaction between governments as necessarily a top-down process in which supra levels have a dominant position to influence national and sub-national levels, many studies conducted later explained that MLG is not simply a "downloading" process of policies from supra levels, instead it's a process of "uploading" preferences and voices of sub-national and national levels (Bache 2008). MLG, in general, is intermingle with both downloads and uploads to varying extents. Bottom-up nature of the system indicates that multiple actors are congruence and came into a structural arrangement so as to serve the societal needs. Therefore, these actors are relatively autonomous in dealing with competences assigned by a collective decision, though the nation-state is yet powerful in some spheres in the politico-societal context. Governance by negotiation, according to Ian Bache, is enabling multiple actors to upload their preferences and interests towards national and (if possible) supranational levels (Bache 2008). The negotiation to be facilitated, it

should be based on the network-like system and MLG is best served for this purpose. In contrast, MLG is also working as a way of downloading policies (top-down) from above. Bache uses two mechanisms to explain this downward exertion; governance by hierarchy and facilitated coordination. The former emphasizes the use of power and coercive instruments by supra-levels in getting things done at national and sub-national levels, whereas the latter characterized by the national level is more powerful than supranational actors and therefore, the influence from external factors can be manageable within the nation-state level. In brief, Garry Marks and others highlight three features of MLG in contrast to state-centric approach of the governance. First, in MLG, policy making competences are distributed among many actors rather than centric to the national government. Second, due to such a concerted decision making practice, national state has faced a threat of being lost of its political authority. Third, political arenas are interconnected rather than nested what Marks mentioned in his very early writings. It means that national state is still significant in political process, sub-national actors work at national level while maintaining their jurisdictions at sub-national levels (Marks, Hooghe, and Kermit 1996).

Defining MLG, Peters and Pierre discuss four different aspects (Peters and Pierre 2004). First, they take out the *governance* feature of MLG and argue that governance should be treated as a broader and encompassing process of coordination rather than a narrower sense of government. By quoting Jessop (1995), they highlight that governance has to work primarily with social mode of social coordination instead of working with narrower political mode of social organizations. Second, Peters and Pierre define MLG as a particular *relationship* between different institutions. According to the conventional inter-governmentalism approach, political institutions were positioned vertically on power-based hierarchical structure. Political authority and control of the system flow from top-down dimension, whereas the responsibility and compliance of sub-national institutions flow from bottom-up. Contrasting to this approach, MLG emphasizes that intergovernmental relations are most likely occurred interactive way and whole system is embedded in regional and national web of rules, resources and patterns of coordination (Peters and Pierre 2004). Third, MLG is perceived in term of a negotiated order by which the concept remarkably differentiated from traditional notion of intergovernmental relations based on hierarchal arrangement of commands and control. This means that policy matters are discussed at different levels in the form of negotiation and final outcome of such negotiation can be best

agreed by majority of actors. Finally, Peters and Pierre define MLG as a political game. MLG opens broader avenue for numbers of actors to play simultaneously in achieving policy goals. Perhaps this might be a significant difference between MLG and traditional form of intergovernmental relations. Every player should take part to the game rather than being silent to best serve their goals. In MLG game, goals are very important and institutional goals are more important than individual goals.

One of the features of MLG, according to the discussion made above, is that it elaborates a new way of thinking about the relationship between different governmental units, which was traditionally based on hierarchical-power arrangement. On the one hand, emerging relationship is rather complex in a sense that an interactive patten of relationship has come into practice and on the other hand, sub-national government authorities interact directly with national and international levels in respect of policy matters. For my understanding, the changing nature of intergovernmental interaction could be analyzed in terms of several factors such as specificity of policy problems that have to be addressed at all levels, new arrangement of governance under the force of some ideologies (for instance, rational choice, neo-liberal, new right), application of information technology in governance, maximum utilization of limited resources and regional or sectoral public influence on policy matters. These factors have inspired policy makers as well as implementers to go for structural adjustments in intergovernmental relations.

In this study, I use MLG as a way of crafting policy regimes where different actors (state, private and civic) meet and negotiate policy matters, coordinate each other interactively (vertical and horizontal dimensions) for best achieving social goals. Here, I concur with argument raised by Peters and Pierre. They contend that most of the writings on MLG are grounded in international relation theory or policy analysis of EU, so that few studies have been done in terms of public administration and public policy perspectives.

### **The Policy Framework and Overall Organization of the Education Sector**

The governance system of education sector consists of a number of agencies varying from national line ministries to lowest level schools (see the figure 1). This complex array of different agencies reflects various forms of sharing competences including decentralization, delegation, deconcentration and devolution (Aturupane 2008; World

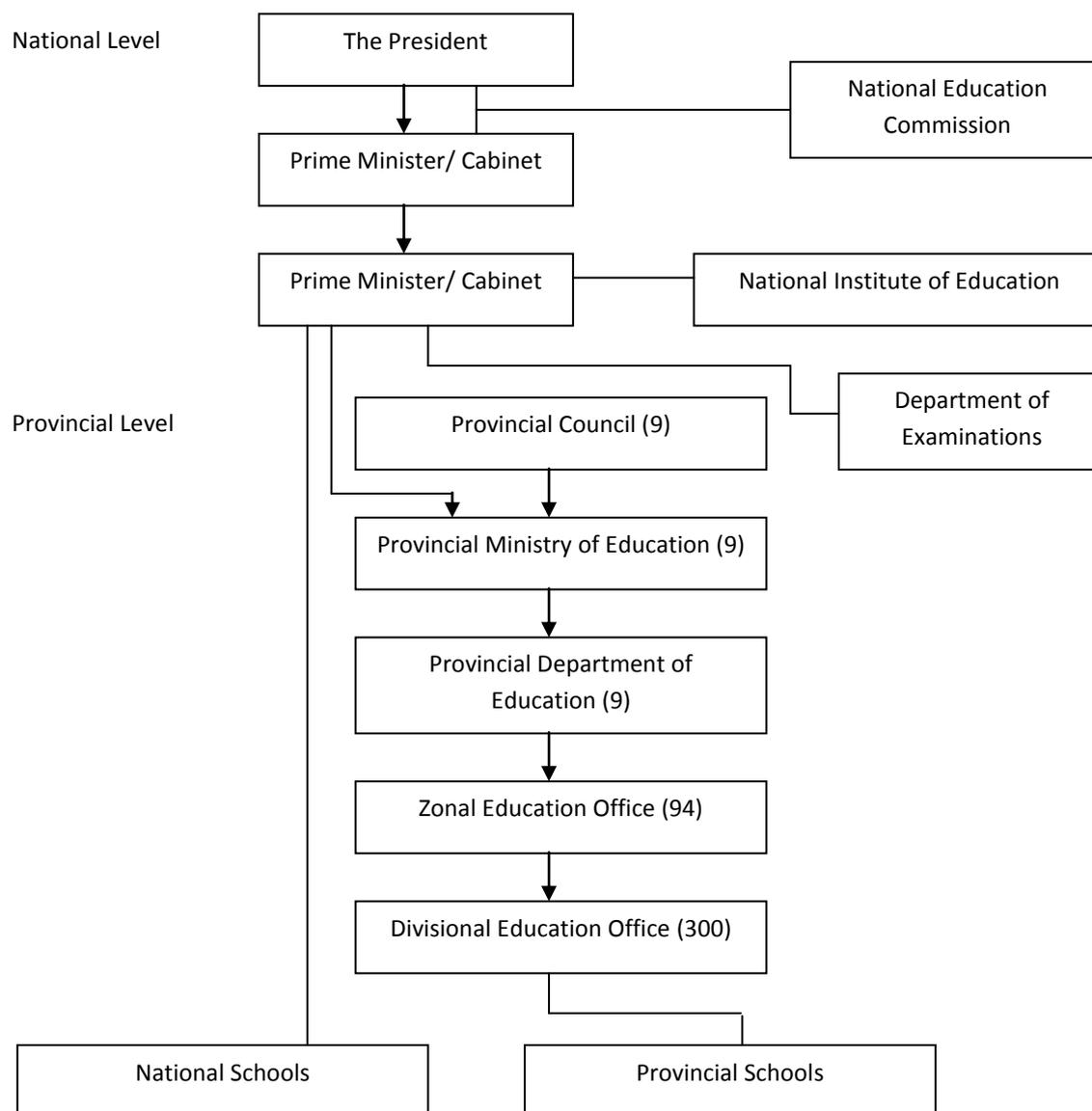
Bank 2005). At the national level, the Ministry of Education is responsible for general education activities. Other than the ministry there are three institutions at horizontal level that performing an important role in terms of achieving national education goals; the National Education Commission (NEC), the National Institute of Education (NIE) and the Department of Examination (see figure 1). Four other provincial and local level institutions have also entrusted educational policy competences; the Provincial Ministry of Education (PME), Provincial Department of Education (PDE), the Zonal Education Office (ZEO) and the Divisional Education Office (DEO). All of these agencies except Provincial Councils are conferred their power or responsibilities by an Act enacted by the legislature (Parliament). In conventional terms this is a soft version of decentralization and deconcentration where the central government is still influential in every aspect of activities in those institutions. Conversely, the Provincial Councils are constitutionally autonomous and competences have been devolved by the 13<sup>th</sup> amendment made to the Constitutions. Due to this fact, the extent of exerting control of the central government on the Provincial Councils is minimal (in constitutional sense). One of the significant aspects encountered in organization and policy studies is that how these multiple organizations bring together in achieving overall goals of a particular policy. Before moving to this discussion, let me make a brief comment on actors and their functional responsibilities of the education policy system and to show how state centric monopoly on education was gradually taken away by setting up different organizations.

### **Actors Participating in the Education Policy Governance**

In the process of education policy governance in Sri Lanka, some competences of policy making and implementing which thus far centered to national ministry have been dispersed across territorial levels both towards horizontal and vertical dimensions. Until the end of 1980s, it is possible to say that the education system of the country was pretty much centralized where the central ministry was predominantly monopolized the administration. Since the later part of 80s this trend was gradually turning towards more decentralized way of administering educational functions because of the growing complexity and magnitude of the system (Singhal et al. 1989). Especially, after independence the state involvement in education sector was overwhelmingly expanded its scope yet the structure and the capacity of the Ministry to deal with this magnitude task was not expanded accordingly. This made the successive governments stimulated to

establish numbers of agencies at different levels of the policy regime. As commonly perceived by many writers, there are several actors at certain levels who are involving in policy process corporately with each other.

Figure-1: Present Organization of the Education Sector



Source: Ministry of Education, Sri Lanka

### Ministry of Education (ME)

The education ministry is one of the main instruments by which states power of education is carried out<sup>2</sup>. Constitutionally, the executive power of the people is exercised by the President of Sri Lanka. The

<sup>2</sup> At present, three line ministries are directly responsible for dealing with education policy matters; the Ministry of Education, Ministry of Higher Education (MHE) and Ministry of Education Service (MES). The MHE deals with related functions of higher education and technical education whereas the responsibilities of the MES are laid on providing necessary services to the ME for effective and smooth functioning of the education system in the country.

Minister who is charged with the power and control of the Ministry of Education drives his/her executive power from the President. Thus, in the Ministry of Education, all officers from the Secretary to downward perform their assigned responsibilities on behalf of the Minister. It is exceptional if one found a situation where the single Ministry executes all policy related power and responsibilities in anywhere at present. Instead, it is identifiable that a number of agencies implement shared responsibilities either collectively or autonomously. In Sri Lanka, the Ministry of Education (first time in the past) enjoyed the all power related to the general education system since 1966 due to the merger of then Department of Education to the ministry (Silva 2004). Some of its functions implemented by the Ministry till early 1980s are listed below (World Bank 2005; Aturupane 2008).

- General administration and staff services
- Planning and programming of education and statistical services
- Planning and administration of building programmes
- Finance, accounts and supplies
- Design, administration and supervision of general and special education programmes
- Curriculum, teacher education, in-service training and research
- Miscellaneous grants and student welfare services and other supportive services
- Liaisons with UNESCO

This shows that almost all aspects of education sector were concentrated to the ministry and due to this centralized management of education system, it eventually had to face inherent difficulties that produced undesirable effects (Educaiton 1978). One such challenge was the delay of communication between the ministry and peripheral operational bodies. This ultimately caused to the under-accomplishment of goals initially identifies by the policy plans in reason of not having a clear understanding about the role that implementers should play at the ground level. As a result, in 1980s decentralization of a considerable amount of competences was taken place to different organizations set up at different levels of the administrative system with the view of seen it as a necessary device to overcome aforesaid difficulties and a way of dealing quickly with matters that need not to be referred to the central ministry. Let me very briefly make a view about such ‘giving away’ responsibilities to different organizations since 1980s.

### **National Education Commission (NEC)**

National Education Commission was established in 1991, operationalizing one of the recommendations made by the youth commission which was appointed 1989 to investigate the real causes of two youth insurrections took place in 1971 and 1987-89. In their recommendation, it was highlighted that the need of establishing a national commission on education policy which would aim at achieving a national consensus with regards to national education policy' (Silva 2009). As a result, then Minister of Education presented a bill to the parliament and he commented on it as "one of the important bills in the history of education in this country". The National Education Commission Act enacted in 1991 empowers the President subjected to the provisions of the constitution to declare from time to time the national education policy which was to be conformed to by all authorities and institutions responsible for education (National Education Commission Act, No 19 1991). This has to be done on the recommendations of the NEC on all aspects of education, ensuring continuity, and responding to changing needs. Basically, the NEC's responsibility reflects sort of an advisory role in nature as clearly mentioned in the Act. First, the NEC is to make recommendations to the President on a comprehensive national education policy enabling the education system to respond to changing needs in society. Second, the Commission is empowered to review and analyze periodically the nation education policy and plans in operation and identify necessary changes in such policy and recommend to the President. Third, the Commission can advice the President on any other matter relating to education. This is clear that the NEC is one of the actors of education policy regime that responsible for the country's executive presidency regarding its entrusted role.

Apart from its advisory role, the main functions and powers of the commission can be highlighted as: To make recommendations on (a) the changes in curricula and teaching methods in educational institutions that are necessary to match education to employment and social needs, (b) the adequacy of guidance and counseling to students in educational institutions and the community, (c) the measures necessary to strengthen the link between educational institutions and the community, (d) the development of educational institutions as resource centres for all round human development of in the community, (e) the measures necessary to reduce area-wise disparities among schools, (f) the measures necessary to enhance the professional standing of teachers and other education service personnel, (g) the

alternate programmes for premature school leavers enabling them to develop their potentials, (h) the changes in the curricula necessary to foster the cultural and religious aspirations of students and (i) the legislative changes necessary to give effect to any such recommendations (National Education Commission Act, No 19 1991). When carefully looking at these functions, it is noticeable that the commission has been entrusted with more policy formulation functions rather than implementation role.

### **National Institute of Education (NIE)**

NIE was established under a parliament act in 1985 to fulfill the objectives of (a) advising the Minister regarding plans, programmes and activities for the development of education, (b) provide and promote post-graduate education in the several specialties of education, (c) conduct and promote studies on the education system including its performance, goals, structures, content and methodology and on the socio-economic and other aspects of education, (d) initiate and promote innovative practices in the education system, provide for development of professional and relevant competence personnel in the education system, (e) make available to the government and other approved organizations, specialist services in education, (f) under the ministerial approval, carry out education development programmes and (g) coordinate with other institutions having similar objectives (National Institute of Education Act, No. 28 1985). By and large this indicates that curriculum development and teachers training programmes thus far entrusted with the Ministry, took away by the National Institute of Education (Singhal et al. 1989). As a result, the Minister has to get advices from the NIE in connection with these competences. This is another functional reduction of the Ministry where the whole of the education policy governance belonged to (Silva 2009).

### **Provincial Ministry of Education (PME)**

The 13<sup>th</sup> amendment made to the Constitution of Sri Lanka in 1987 can be mentioned as a remarkable juncture of the country's history which devolved political power to Provincial Councils (PCs) introduced by the same act (Thirteenth Amendment to the Constitution 1987). Under this enactment, country was divided into nine provinces and devolved political and administrative power to a considerable extent in many areas including education sector. With the establishment of the PCs, a significant amount of functions was taken away from the Ministry and entrusted to the PCs. Such functional activities are included (a)

provision of facilities for all state schools other than specified schools such as national schools and schools for service personnel, (b) supervision and management of all pre-schools and state schools, (c) recruitments, transfer of teachers and principals and other education officers and take disciplinary actions when needed under certain limitations, (d) preparation and implementation of educational development plan and annual implementation plan, (e) appraisal of the performance of principals, teachers and education officers, (f) conducting in-service training programmes with prior approval of the NIE and local examinations approved by the Commissioner-General of Examination, (g) registration and supervision of pre-schools and implementation of non-formal education programmes, (h) construction and maintenance of educational building, libraries and playgrounds, (i) procuring and distribution of teaching aids, materials, furniture and equipments and (j) distribution of school textbooks. Though the list can be extended further in accordance with the schedule of provincial education functions, it is not my intention here to bring them all. When refer to the above competences, one can easily notice that several major activities of the ministry took away and this way, provinces became the second level of governance in education management. Therefore it is worth viewing education sector with establishing PCs in a two way process rather than mere top-down and multi-level instead of being centralized (Singhal et al. 1989).

Devolved functions of education to be implemented, a Ministry of Education and Department of Education were established in each province. The 13<sup>th</sup> amendment caused for a linear yet more effective ministry at centre and a powerful ministry at the province where close coordination should have in place for more effective policy implementation. Public Schools are categorized to two groups in the system called national schools and provincial schools. National Schools (3%) are controlled by the line Ministry and eight provincial ministries are responsible for managing provincial schools (93%) (World Bank 2005).

### **Provincial Department of Education (PDE)**

The Provincial Department of Education came into existence parallel to the setting up of Provincial Councils under the 13<sup>th</sup> amendment. When the time of devolving power to Provincial Councils in 1987, the country had been divided into 24 educational districts which the same in number and the size of administrative districts. The educational districts system was abolished with the enactment 13<sup>th</sup> amendment, and

responsibilities of education at provincial level were entrusted to the PME. The PDE, headed by the Provincial Director, is the executive body at provincial level for implementing and administering all educational programmes (Educaiton 2007). The major goal is that to ensure quality of education in particular province with the assistance of the zonal education offices and divisional education offices. Further the PDE is responsible for regular monitoring and evaluation of school system in its province (Commission 2003). The PDE has to work under the directives and guidance of PME and the central Ministry of Education.

### **Zonal Education Office (ZEO)**

Each province is further divided into zones and as a whole there are 94 education zones function at present in the country. The Zonal Office, headed by a Zonal Director, is the body with all responsibilities to maintain the quality of the education and administering human and financial resources within the zone. The zonal education office was expected to work effectively to strengthen linkages among other agencies while coordinating educational programmes. The main tasks of the zonal office are to supervise and maintain the quality of the teaching/learning process at school level, having good relationship with other actors in the education sector, implement in-service teacher training programmes, collecting information about schools through the DEF (Perera and Palihakkara 1997). To improve the quality of the education, each province employs subject based specialists to supervise and monitor school functions. Though, the ZEO has not power to recruited personnel it can transfer and deploy schools principals and teachers within the zones. While performing its assigned power, assistance of the divisional education office can be taken.

### **Divisional Education Office (DEO)**

Educational zone is subdivided into several smaller regions called education divisions. The divisional education office has been empowered to administer education in the division and the Divisional director is the in charge for its well functioning. Among other activities, the DEO is entrusted with general supervision of schools, collecting information from schools and distribution of school textbooks, uniform fabric and other materials and equipments.

Aforesaid ministry and other agencies can broadly be put into two groups as the central authorities and local authorities. The ME, NEC and NIE are considered as central authorities enjoying general competences of education policy regime. The ministry and

governmental agencies are established by an organic law and their responsibility consists in the management of education sector according to governing plan, elaborated together with interested actors, as Provincial Councils, Zonal and Divisional offices and other institutions such as School Development Boards (SDB) through which civil society participation is brought into the education system.

Among local authorities some variations are distinguishable in terms of political and administrative power that have entrusted with these agencies. For instance the PME is political in a sense that the devolution of power by the constitution under the 13<sup>th</sup> amendment has paved the way for more autonomous political body where the Minister is first elected by the public votes as a member of the Provincial Council. It is also administrative in a sense of having formulated and implemented decisions within the area that has been vested by the constitution. Other local authorities including the PDE, ZEO and DEO, have rights from administrative point of view, i.e. each has the right to make some sort of instant decisions for solving issues of local interest where it is not necessary to consult superior bodies.

### **Can Education Governance be Sighted through Multi-Level Perspective?**

As mentioned in the discussion of theoretical perspective on MLG, it is an important way of analyzing institutional and structural arrangement of policy process, in this case education policy. In this way, it is worthy to sight a specific policy arena as a coherent 'nested organization' (Marks 1993) where the inter-governmentalist and federalist approaches considerably deviated from the view of emphasizing the territorial levels bring into the system. That is apparently not wrongful to see that different levels are important for getting things done even in multi-level perspective too, yet it's concern is to treat those levels as parts of a once system. As I pointed out earlier, different actors in the education policy process are better to be viewed as different components in the same policy system. Rationale of this argument is that education system has broader national goals rather than regional or provincial goals whereas health or transportation sectors try to achieve. It is in this view; the national goals of education policy in Sri Lanka should be elaborated to understand this significance.

- Nation Building and the establishment of a Sri Lankan identity through the promotion of national cohesion, national integrity, national unity, harmony and peace and recognizing cultural

diversity in Sri Lanka's plural society within a concept of respect for human dignity

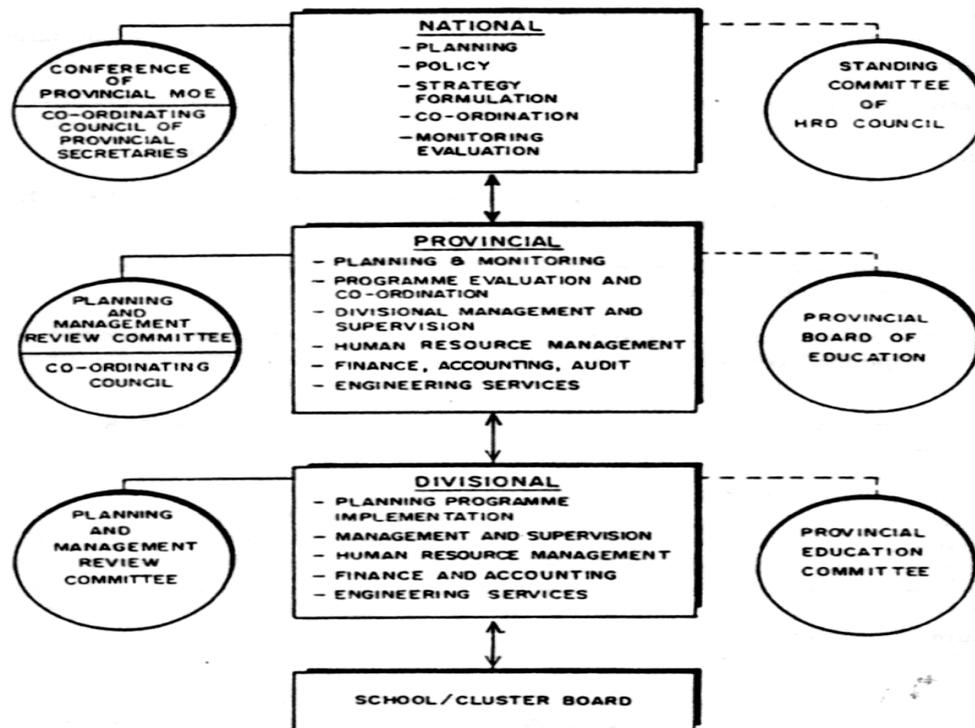
- Recognizing and conserving the best elements of the nation's heritage while responding to the challenge of a changing world
- Creating and supporting an environment imbued with the norms of social justice and a democratic way of life that provides respect for human rights, awareness of duties and obligations and a deep and abiding concern for one another
- Promoting the mental and physical well-being of individuals and a sustainable life-style based on respect for human values
- Developing creativity, initiative, critical thinking responsibility, accountability and other positive elements of a well-integrated and balanced personality
- Human resource development by educating for productive work that enhances quality of life of the individual and the nation and contributes to the economic development of Sri Lanka
- Preparing individuals to adapt to and manage change, and to develop capacity to cope with complex and unforeseen situations in a rapidly changing world
- Fostering attitudes and skills that will contribute to securing an honorable place in the international community, based on justice, equality and mutual respect (Commission 2003).

All these national goals are supposed to lead for two broader transformations; nation-building purpose and sustainable economic development. As per se these goals are national and regional and local variation should be taken into account when working to achieve those goals. For this purpose, MLG needs to have actors at different territorial tiers and when amending an existing rule or law or enacting a new law, a close coordination and collaboration of all actors is required. Gary Marks (1993) pointed out two aspects of MLG. First aspect, more or less connected to the earlier discussion, portrays that the governance structure of the policy sector is embedded to a single nested organization. It means that actors of national level and local level should have a good interrelationship and direct consultancies regarding policy matters. In the education sector each actor works at different territorial levels has certain competencies decentralized or delegated from the centre and each should be committed for those tasks.

On the other hand, each actor should be aware about the significance of other actors' role within the policy domain. The DEO retains with some discretionary power as ZEO has and they know that it is not possible to work out their own functions without having support of other organization located in the nested system. Second aspect of MLG is that it functions on the basis of negotiation among actors. Though, it is difficult to find a system where the interactions take place based only on negotiation apart from ideal type situation, in Sri Lankan education sector, it is noticeable to have negotiated type problem solving approach. Negotiation can taken in different forms, for instance in the education policy field, committees, councils, conferences, meetings and discussions. Following figure-2 shows such negotiation avenues and strategies that used to make concerted decisions in 1990s in the system of education in Sri Lanka. Among other strategies, conference of PME, standing committee of human resource development, planning and management review committees and provincial education committee are considered as good avenues for negotiating policy matters for different actors. This system is more advance today due to the sophisticated technology plays tremendous role to maintain a constant relationship among all actors. Therefore, through visible and invisible means each actor can be reached by other actor, for instance the NIE contacts ZEO if necessary to do so regarding curriculum and teachers' training programmes. This is one of the features of transforming education sector from conventional way of understand the interaction between different actors as necessarily a top-down process in which central levels have a dominant position to influence national and sub-national levels.

When education sector is seen through a MLG perspective, it is necessary to explain it as not only a "downloading" process of policies from top levels, but also it is a process of "uploading" preferences and voices of sub-national and national levels (Bache 2008). When it is seen, MLG as a way of downloading policies (top-down) two mechanisms can be used to explain this exertion; governance by hierarchy and facilitated coordination. The former emphasizes the use of power instruments by top levels in getting things done at sub-national levels. Still the MOE is the more powerful and influential instrument in policy process and it does not necessarily mean that it was given up its important competences away. However, by realizing the social diversity and regional differences such powerful bodies are in a trend to work within a more facilitated coordination environment. In this way preferences and voices of local levels are uploaded to national levels through MLG structure.

Figure-2: Negotiation Strategies and Avenues



Source: (Singhal et al. 1989)

A national education policy to be a national in its real meaning, it has to be formulated on some sort of consensus across politico-administrative and social groups (Silva 2009). Today it is noticeable that more and more non state actors participate in policy matters by providing input and feedback for policy process in one way or another. Especially in education policy sector in Sri Lanka has more windows opened for international organizations, non-governmental organizations, and community bodies to bring their initiatives and voices to the policy process. The MLG is popularizing today as it widens the stage for accommodating more actors to sit together and discuss policy matters (Stubbs 2005). At school level, the School Development Societies work as one such initiation and community members are now participating in democratic decision-making and implementation to a certain extent. Apart from that some other non state actors such as the Commonwealth Education Fund, Coalition for Education Development in Sri Lanka, are in active to make the education system in the country more advance.

### **Prospects and Challenges of Multi-Level Education Policy Governance**

In contrasting to other types of governance, MLG has distinctive potentiality of empowering state actors working at different levels as

well as non-state actors alike to contribute in the development process (Robinson 2004). Looking at the education policy sector through MLG point of view, help to shed lights on some gray areas where necessary actions should be taken to overcome some weaknesses and problems.

One of the arguments in MLG is that some sort of decentralization should have to be done for better use of regional and local potentialities to the national development process. By so doing, it's expected to minimize the uneven development and pay more attention to economically disadvantaged areas (Bache and Flinders 2004). As I discussed in a previous section, powers and the competences have been devolved to different actors located at vertical as well as horizontal axes. On the one hand, this facilitates policy actors to configure task specific jurisdictional blocks at different levels. In the education sector, the NEC works as a policy making body that advice the President regarding education policy issues. With the time span, It also conduct surveys and researches in assistance of other actors to identify changes that have to introduce to the existing education policy. Likewise, the NIE was established for conducting teachers training programmes and developing school curricular. And though I did not mention, the Department of Examination (DOE) conducts of all general examinations in the education system (Silva 2004).

Vertically, the provincial, zonal and divisional level bodies have been established to bring educational administration and other activities to closer to the public so as to get policy input from non state actors and community groups. This aspect of MLG looks at how to bring the diversity into a broader strand of policy process. Though small regions are empowered, they have to work for a common purpose of national development. In pluralist societies, this allows to work out for a unity through diversity. This is very important in such pluralist society like Sri Lanka to represent diverse interests and expectation in the comprehensive policy arena. Early practice of decision making process was concentrated to the central ministry and once they formulated, it flew through all hierarchical channels to operational level where the policy goals and expectations are not compatible with ground-level situation. With the multi-level configuration of education sector, now at least it is possible to expect that regional differences have a say which can influence through providing information to administrative bodies. This increases: the government leaders legitimacy in democratic intergovernmental negotiation, government leaders will of keeping their successor with tied hands, and room for political leaders to escape from possible

consequences of making unpopular decisions though they see them as important and necessary (George 2004).

MLG emphasizes that collaboration principle among state and non-state actors which is required for minimizing overlapping and duplications as well as unnecessary isolations different actors. This is one of the dire problems of the organization made by the conventional delegation devolution. As those institutions have power vested by the constitution, they tend to work alone and policy making and implementation may be treated as own purview without consulting other agencies. Ultimate result might be the work overlapping and duplications by which public money would be wasting without a purpose. For instance such functional overlapping is reported from the MOE and NIE of conducting training programmes for teachers that the main responsibility lays within the purview of the NIE. In some cases, curriculum development activities are done by the Ministry though it is the prime responsibility of the NIE where the qualified staffs are employed for that purpose (Silva 2004). In this situation MLG perspective is needed to avoid such duplication and also sometimes unnecessary isolations as it provide a interconnected functional relationship between different agencies.

MLG opens up wider avenue for non state actors into the policy process. In other words, national and regional governments are able to provide more space and resources for non state and community actors to bring them to the governance process. Other than these potentialities of MLG, it also enables middle tiers to use their powers to empower local bodies and such a link between the tiers can be more important than the formal powers of each individually.

### **Challenges**

One of the intrinsic characteristics of MLG is that the organization of politico-administrative system within a framework of multiple jurisdictions located at different levels. Liesbet Hooghe and Garry Marks contend that working with MLG is feasible than any other systems of governance because of it is scale flexibility (Hooghe and Marks 2003). Furthermore, some state actors (like Provincial Councils) are constitutionally autonomous in dealing with certain policy arenas and hence the central government involvement is minimal in such areas (at least in formal acceptance). Then, the immediate question comes to our mind: How does MLG cope with inevitable isolation of

its actors' activities? How could interdependency of different levels towards a specific policy regime to be handled?

Answering these questions is needed to resolve possible conflicts among the line ministry, the provincial councils and other agencies and also to avoid overlapping that can occur where a situation has no proper mechanism to deal with them. As it has been elucidated in organization studies, the most common and practical method of working with this sort of situation is the inter-organizational coordination. Liesbeth and Garry Marks point out that coordination is a dilemma faced by MLG system. In their own words; "*The coordination dilemma confronting MLG can be simply stated: To the extent that policies of one jurisdiction have spillovers (i.e. negative or positive externalities) for other jurisdictions, so coordination is necessary to avoid socially perverse outcomes*" (Hooghe and Marks 2003a:13). Therefore, one of the challenges for maintaining coherency in education policy system is to how inter-organization policy coordination should be designed.

A number of cases can be brought up here to show that how the situations become chaotic due to the non or lack of coordination. For instance very recently it was reported that the Central Province Chief Minister had ordered to close government schools in the province due to the threat of influenza AH1N1 virus. The Minister of Education was not happy with decision not because the reason for closure of schools but because no prior coordination was done with the ministry before the chief minister's decision (Adaderana 2009). Such another case was that the burnt out 80000 school mid-term test paper due to the printing errors happened in the North-Central Province. The zonal education office in Thambutthegama set the mid-term paper in History for grade 6, 7, 8 and 9 without having proper coordination with other agencies including North-Central Province Education Ministry, Department and Divisional Offices in the province. Due to number of printing mistakes, the Department of Provincial Education Office asked to burn all papers (which was cost 350000 rupees for printing) before going to student's hands (Kuruneru 2009). These two incidences highlight how non-proper interagency coordination can create system-wide crisis and waste of public funds that ultimately affected in the long-term goals of the education system. Therefore, in a multi-level system of policy governance should arrange coordination mechanism properly to fulfill two basic requirements (i) to preserve and foster policy coherence and (ii) to enhance the central authorities' steering capacity.

Importance of coordination for MLG system could also be analyzed through the way it uses in organizations to minimize the cost and risk in terms of starting innovative programmes. For example, to enhance the use of modern technology in education in Sri Lanka, different organizations including central ministry, provincial and other local level institutions and private sector organizations could meet together and form sort of partnership or joint-venture. So such an innovative policy is important not only for private sector who demands for technologically advanced manpower for their organizations, but also to the government who is considered to be responsible to find out a solution the problem of unemployment of the country. According to Rogers and Whetten inter-organization coordination led joint ventures or partnership will help to expand the size of the pool of common resources and hence it will minimize potential monetary problems for investing in such costly yet important project (Rogers and Whetten 1982). It also reduces the risk of having spending money as the each organization has invested or contributed partially to the partnership or joint venture.

### **Conclusion**

One of the keys to comprehensive state implementation plans appears to be found in the relationships established with different bodies at community, school, divisional, zonal, provincial and state levels. These make up the cross-functional linkages found in MLG that include practitioners, administrators and the public. By increasing the input of these teams at all levels and providing funds and negotiating with the relevant agencies when needed, it enhances system wide efficiency and effectiveness in terms of achieving overall policy goals.

The discussion made above shows that the efficient and effective service delivery to the community is aimed through decentralization of state responsibilities at different levels. In other words, by setting up MLG structure, it is envisaged to strengthen the good governance and fulfill its aspirations. How do these different levels or units mutually coordinate for maintain the uniformity and consistency of the service provisions? By attempting to answer this question, one could understand that it is a basic requirement of MLG in adopting well developed and systematic coordination principles for smooth functioning of the system. In such an application, it is expected to overcome some issues like unnecessary isolation of one level from another. Therefore, the central focus of the current study is to analyze

the policy coordination by considering it as one of the most important aspects of MLG in contemporary political landscape.

Finally, multi-level education policy governance is a new way of looking at state policy process in which public participation in all stages is necessary to be strengthened. Therefore, my main conclusion here is that though attempts were made to shape the administrative structure more multilevel oriented, it should be more impressive to the public than the mere decentralization where politicians are still play a significant role in the policy process. If structural and functional arrangements to be succeeded in implementation, responsible authorities should learn from past failures and take necessary forward steps to overcome issues and constraints for future prospects.

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# **Local Government Reforms in Bangladesh Hazy Policy Landscape**

**Mohammad Habibur Rahman**

## **Abstract**

*Bangladesh has somewhat exhaustively failed to make tangible progress in establishing a democratic local government system in its nearly four decades of sovereign existence (1971-2010). The two key thrusts for the nation's prolonged struggle for independence against Pakistan rule were to establish democratic governance and to achieve economic emancipation. Arguably, on all counts (looking at the key indicators such as Democracy Index, Corruption Perception Index, and Human Development Index), Bangladesh failed to achieve a desired level of good governance but has made some progress in terms of economic growth after what could be called a difficult and painful journey through hardship, famine, natural disasters and global crisis. Absence of political commitment and bureaucratic aversion are seen as the key reasons for weak local governance. Ironically, the military regimes, who seized power from time to time, made more attempts to strengthen and democratize local government structures. Emotively, it is in the democratic rule (1971-1975, 1991-2006, 2009-2010) when local government reforms suffered most with anti-democratic policies. This paper begins with a diagnosis of the role of State in local government reforms from a historical perspective. It then highlights the form and extent of paradox and egocentricity of the current and previous democratic governments with regard to local government reforms. The paper attempts to examine the hidebound attitude of the current and the former democratic governments that brags with policy rhetoric but ends in protecting the interest of their own regimes.*

## **Past Reform Efforts**

With an intention to explore the antecedents of the present local government structure and its impact on reform, this section reviews the past local government reforms in Bangladesh to give a perspective to the country's experience with different forms and models of local government that evolved through three major era of rule: the British colonial time (1757-1947), post-colonial years (1947-1971), and post-independence period (1971- to date).

### ***Pre-Colonial Era***

To trace the foundation and growth of local government in Bangladesh one has to look back at the ancient history of India. The existence of village councils or *panchayats*, which Metcalf once called the 'little republics' (Mukherjee, 1957) can be traced to as early as the *vedic* period (1500 B.C. - 1000 B.C.). But the village *panchayat* as a body of local government did not manifest the real form of devolution. The primacy of the *panchayat* was far from universal and many villages were under the rule of a landlord or his agent (Tinker, 1967).

### ***Colonial Phase (1757-1947)***

The British raj, facing the a mutiny led by some Indian soldiers in 1857 a century after it began its rule in India, made a policy shift away from the *zamindari* system<sup>1</sup> towards decentralisation by creating a local government body called *choukidari panchayat* under the Choukidari Panchayat Act of 1870. The Act of 1870 created unions (an administrative unit comprising of a number of villages) and empowered the District Magistrate to appoint a five-member *panchayat* for each union. Later, the Bengal Local Self-Government Act of 1885 provided a three-tier local body consisting of the District Board, the Local Board (in the sub-division) and the Union Committee. In 1919, Bengal Village Self-Government Act was promulgated to abolish Local Board and to merge *panchayat* and Union Committee to make it a Union Board which consisted of 6 elected and 3 nominated Members. The British rule operated through a deconcentrated form with an objective of prolonging imperial rule. The Raj was not interested in any degree of devolution. Extensive bureaucratic control coupled with limited financial powers hampered the operational autonomy of the local bodies. The practice of appointing officials as Chairmen of local bodies continued for years although the Act of 1885 had provision for an elected Chairman (Choudhury, 1987). The local government units were not allowed to make plans or take decisions on their own affairs of development. This manifests the paradox in British style decentralisation in India.

### ***Pakistan Period (1947-1971)***

In the post-colonial time, the major reform in decentralisation occurred in 1959 with the promulgation of the Basic Democracies Order, 1959 by Ayub Khan – a military General who seized power from President Iskandar Mirza through a bloodless coup d'etat. Under the Basic

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<sup>1</sup> A system of land settlement whereby the rural elites and landlords selected by the British raj were given the sole authority to collect tax from the people to share it with the colonial rulers

Democracy system a four-tier local government structure was introduced: union council, thana council, district council and divisional council. The union council elected one of its Members as Chairman, but the administrative head of the thana, the Circle Officer (Development), was responsible for supervising the union council. All other tiers were headed by centrally appointed administrators. The Basic Democracies system was a carefully-designed blend of devolution and deconcentration, i.e. democratic and bureaucratic values. The system did not provide substantial powers (personnel, finance) in the hands of non-officials or councillors. To look at it more critically, the civil-military oligarchy needed local elites for legitimising General Ayub's military rule. Thus they were put to work in a parody of democratic politics under this system of Basic Democracies (Alavi, 1972). However, it provided the thana and union councils useful scope in administering the famous Comilla model of rural development programmes. These two tiers served as the heart of development administration.

## **Post-Independence Period**

### ***Sheikh Mujib Era (1972-1975)***

In 1972, the local councils under the Basic Democracies structure were dissolved by the President's Order Number 7. In the same year, the union council was renamed the union *panchayat*, the thana council the thana development committee, and the district council the Zila Board. The Law of 1973 changed the name of union *panchayat* into union *parishad* (council). The union relief committees were formed with nominated members. Although the election to union *parishad* was held in 1973, elections to other higher level councils were not held. In 1975, there was a macro-level constitutional change when Sheikh Mujib abolished the parliamentary system altogether and introduced a one-party presidential rule. The District Administration Act was passed in 1975 and upgraded the sub-divisions into districts and changed the *zila* board into a district administration council to be composed of the member of parliament (MP), representatives of the single national party *Bangladesh Krishak Sramik Awami* League (BAKSAL) and district officials of both civil and law-enforcement agencies. A centrally appointed governor would exercise supervision and control over the regulatory and development functions in the district. The governor was to be accountable only to President of the country. As far as the 1972 reforms are concerned, there was a substantial lack of political support among Awami League leaders for democratising the local government structure in the country. Mujib, being the first prime minister of

independent Bangladesh, did not empower local government bodies in terms of institutional strengthening, personnel and financial autonomy and functional authority. Rather, the traditional image of deputy commissioner and circle officer (development) remained the same. Finally, Mujib's 'governor system' is widely seen as a way to consolidate the party's position in local power structures and to reward the party officials by channelling resources through their hands.

### ***Zia Era (1975-1981)***

After the military coup d'etat in August 1975, the one party political system, BAKSAL, along with the governor system was discarded by General Ziaur Rahman, who virtually seized all power as the Chief Martial Law Administrator. Nevertheless, Zia played a critical role in reviving the local government institutions in the country. He introduced the Local Government Ordinance 1976 which provided a union *parishad* for a union, *thana parishad* for a thana and *zila parishad* for a district. In 1980, two years after General Zia became the elected president Zia, by promulgating the *swanirvar gram sarkar* (Constitution and Administration) Rules, 1980 all the *Gram Sabhas* (Village Meeting) were transformed into *gram sarkars* (village government) in each of the 68,000 villages of Bangladesh. The *gram sarkar* was a body consisting of a *gram pradhan* (village executive) and eleven elected members representing different classes of the village. The *gram sarkar* was a mini-government which could undertake planning and promotional programmes (Choudhury, 1987). General Zia's reform brought some structural and functional changes in local government. In terms of representation, the size of the union *parishad* enlarged (i.e. twelve members including two women and a chair). But the chair's dominance in executing powers continued. The introduction of *gram sarkar* was also an important reform targeting the grassroots democracy. However, central control on local government was not reduced. The 1976 Ordinance allowed the government (through the sub-divisional officer) to exercise supervision and control over the elected union *parishad*. The *gram sarkar* provided for an equality of representation of various functional interests. The elected body consisted of two farmers, two landless, two women, two youths, two members from other occupational groups such as potters, fisherman and weavers. It was a big leap forward towards integrating the disadvantaged in the process of local governance. But how far the political attitude of the regime was positive was a matter of debate. The implicit objective of the local government reform package during the General's period was to gain direct political support for the military regime in its process of civilianization.

***Ershad Era (1982-1991)***

General Hossain Mohammad Ershad, who came to power in 1982 again through a military *coup d'etat*, allowed the union *parishads* to continue to operate. But he promulgated the Local Government (Union Parishads) Ordinance, 1983 and divided union into three wards. The provision for a directly elected chair, nine elected members (three from each ward) and three nominated woman members (each representing a ward) was introduced. He also organized new elections to those bodies in 1983 and 1988. With a view to reorganise the administrative and local government structure, the Local Government (Thana Parishad and Thana Administration Reorganisation) Ordinance, 1982 was promulgated. Through this, General Ershad decentralised rural administration to the thana level and redesignated all thanas to *upazila parishads* (sub-district councils) with directly elected chair - giving thanas to have popularly elected heads for the first time. Among the members of the *upazila parishads* were the directly elected chairmen of the union *parishads* under respective *upazilas*. The government officer Thana Nirbahi (Executive) Officers (TNOs) were to act as the assistants to the *upazila* chairmen. Theoretically, the *upazila parishad* was so far the best model of decentralisation in Bangladesh although there were carefully-designed elements of deconcentration. The *upazila* structure was used as an effective tool for centralising the real exercise of state power, specifically by the personnel and financial means of state control. Centrally allocated funds for *upazila* programmes were channelled through these bodies in an attempt to strengthen the patronage network. The local elites worked as the 'vote banks' in the process of 'legitimising' and 'civilianising' the dictatorial rule of the regimes (Rahman and Khan, 1997).

***Khaleda Zia Era-I (1991-1996)***

With the restoration of parliamentary form of government in 1991, people's expectation with devolved local government rose high. But after coming to power in 1991, the elected Bangladesh Nationalist Party (BNP) government took a u-turn from a potentially democratic local government set-up – i.e. the *upazila parishad*. Based on the recommendations of the Commission the government had set-up to review the structure of local government, the Khaleda Zia government hastily abolished the *upazila* system. The government offered a two-tier local government system - union *parishad* at the union and *zila parishad* in the district. While there has not been any interruption in the functioning of the union *parishad*, but no move was initiated to hold elections for *zila parishads*. The Local Government (Union Parishads)

(Amendment) Act, 1993 was enacted after holding elections to union *parishads* in 1992. Under this Act a union was divided into nine wards, each union *parishad* consisted of a chair and nine members - one from each ward. In addition to this, three seats have been reserved for woman members, who were to be elected by the union *parishad* chairman and members in a manner prescribed by the government. During Khaleda Zia's five year democratic rule (1991-1996), local government was not a top agenda for reform. A somewhat static situation existed during this period. Khaleda's controversial 'u-turn' from the upazila model of local democracy to bureaucracy-dominated thana set-up manifested political resistance to autonomous and devolved local government reform.

### ***Sheikh Hasina Era-I (1996-2001)***

Having perceived a bleak and deadlock situation in the sphere of local governance, Sheikh Hasina has been carefully proceeding with her local government reform plan since taking over power through the parliamentary election in June 1996. In her manifesto, Hasina had earlier promised not only to separate the judiciary from the executive and autonomy of electronic media, but also to bring about reforms in public administration and local government structure to make them effective, democratic and accountable (Weekend Independent, 17 May 1996). Like her predecessor, Hasina also set up a Commission in 1996 to suggest measures to strengthen local government. Based on the Commission's recommendations, the Awami League (AL) government framed law for four tiers in rural local government (i.e. district, sub-district or *upazila*, union and *gram* or village) but held elections only at the union level. The significance of this union *parishad* election was that for the first time nearly 13,000 woman members were directly elected from the reserve seats.

### ***Khaleda Zia Era-II (2001-2007)***

BNP and its new coalition partners including Jammāt-e-Islām managed to get a massive two-third majority in the 2001 parliamentary elections and returned to power. The coalition showed greater reform rhetoric in local government compared to its previous term in office from 1991-1996. However, the initial zeal to strengthen local government gradually waned as policy contradictions over the issue of *upazila parishad* developed within the party leadership. The cabinet decided to resolve the issue through a deliberation by a cabinet sub-committee. A five member cabinet sub-committee was formed in November 2001. The sub-committee met several times but could not resolve the

differences to come out with a decision. There was a strong division within the sub-committee about the revival of elected *upazila parishad* and *zila parishad*. The indecisiveness of the government on these two formerly elected tiers once again raised questions about the lack of political will on local government reforms. The government on the other hand, empowered the MPs by allowing them to act as the advisor to Upazila Development Coordination Committee (UDCC) and also to handle vast financial resources at their disposal. Also, in August 2003, the BNP-led government started forming *gram sarkar*<sup>2</sup> inspite of resistance from political opposition (i.e. AL and left parties including Jatiya Samajthrantik Dal- JSD and Worker's Party) and a case filed by an NGO at the high court challenging the formation of *gram sarkar* as unconstitutional<sup>3</sup>. The government has started forming 40,392 *gram sarkar* units in 4,488 union *parishads* with an argument that the purpose of *gram sarkar* was to bridge rural development with the mainstream development as an auxiliary grassroots institution.

### ***The Military-backed Caretaker Government (2007-2008)***

The prolonged confrontation and rivalry between BNP and AL reached its pick as the ninth parliamentary elections, scheduled for January 22, 2007, came nearer. It was finally cancelled after declaration of the state of emergency on January 11, 2007 amid political turmoil. A military-backed caretaker administration took over and stayed in power for nearly two years until holding the parliamentary election on December 29, 2008. These political transitions took place at a time of global economic crisis and when Bangladesh was internationally criticised as being a failed state, performing badly in democracy and governance arenas (Table 1). The caretaker government took up a range of institutional reform measures to improve governance in Bangladesh including in the areas of anti-corruption, judicial independence, financial management, local government, public services and election administration. This transitional government made a massive effort to

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<sup>2</sup> *Gram sarkar* was composed of a chair, an advisor and 13 members. The elected ward commissioner of union *parishad* acted as the chair and the woman member as advisor. The 13 member committee consisted of one respectable person, three women including one trained member of village defense party, one male member trained village defense party, two landless peasants, one member of a cooperative society, one freedom fighter, one teacher, one businessperson, one doctor or professional person. Nomination comes in a meeting of eligible voters. The *gram sarkar*, which was originally introduced by Khalida's husband late President Ziaur Rahman in 1980 was made abandoned by all the successive governments.

<sup>3</sup> The High Court served a show cause notice on the government after an NGO called Bangladesh Legal Aid and Services Trust (BLAST) filed a case challenging Articles 3, 4 (4), of the Gram Sarkar Act 2003 as contradictory to Articles 7, 9, 11, 27, 28, 59 and 60 of the Constitution of Bangladesh.

fight corruption so much so that they did not hesitate to arrest the two former Prime Ministers- Khaleda Zia and Sheikh Hasina<sup>4</sup>, many cabinet ministers and other political leaders and businessmen<sup>5</sup>. For local government a Committee was set-up to make recommendations. The caretaker government accepted its main recommendation to set-up an independent and powerful Commission to ensure efficient and effective functioning of local government bodies. Through the promulgation of Upazila Parishad Ordinance (2008) the caretaker government also revoked the power of MPs over *upazila parishads*, and to empower the Election Commission (EC) to hold polls to the *parishads*, a crucial tier of the local government system.

**Table 1:** Bangladesh's status in different international rankings<sup>6</sup>

Bangladesh in International Rankings	Position (score/status)
Democracy Index	91 out of 167: Score 5.52
Political Rights/Freedom	5 (Party free)
Civil Liberty Index	4 (Party free)
Transformation Index	68 out of 125: Score 5.95
Failed State Index	12
Corruption Perception Index	147 out of 180: Score 2.1
Global Competitiveness Index	107: Score 3.55
Globalization Index	112: Score 36.01
Human Development Index	137 (0.53 value)
Economic Freedom	143: free economy 47.8
Global Gender Gap Index	100: Score 0.63

*Source:* Ahmed, E. (2010) "Rhetoric and Reality of Corruption Control in Bangladesh:

The Case of the Caretaker Government (2007-2008) from an Implementation Perspective", mimeo

### ***Sheikh Hasina Era-II (2008-todate)***

The AL and its coalition parties won the ninth parliamentary election held on December 29, 2008 by registering an unprecedented more than two-third majority and formed government. However in terms of local

<sup>4</sup> At present, both of them are out of the prison.

<sup>5</sup> During the same period, even a conservative estimate indicates that more than 300 political leaders have been convicted of corruption charges and around US\$500 million have been repatriated from foreign countries that were siphoned off the country (New Age, 2007) A recent report states that a total of 102 corruption convicts have been jailed so far which includes 76 political leaders, 15 businessmen, three former bureaucrats, four former police officials and four other professionals and a total of US\$41 million of assets have also been confiscated (New Age, 2008).

<sup>6</sup> The data/information is the index of the most updated one, especially of 2008 and 2007.

government reform, there was no breakthrough in the prolonged political indecision about strengthening *upazila* or other bodies, although there was enthusiasm in all quarters that a free and fair *upazila parishad* elections would be held sooner rather than later. On the contrary, the Local Government Commission and the Upazila Parishad Ordinance (2008), both decisions of the so-called non-democratic caretaker government which proved to be progressive and a step in the right direction, were dropped and disbanded by the democratically elected AL government. By dropping the Upazila Parishad Ordinance 2008, and claiming the Upazila Parishad Act 1998 could be amended, the AL hinted that they believed that MPs should have the final say in local government. However, around the country people were filled with hope that finally the local government system was being overhauled and that there would be both quantitative and qualitative change. With what seemed like a reasonably free and fair Election Commission a date was set for the *upazila parishad* elections after the general elections. The decision was criticised from some quarters but no one vehemently opposed it, finally January 22, 2009 was set as the date local government would be reborn (The Daily Star, February 4, 2009). Under this new ordinance, election was held in almost all the 480 *upazilas* of the country on January 22, 2009, in less than a month of the ninth parliamentary election, to elect chairman, vice chairmen and members of each *upazila parishad*. When all were set for functioning of the newly elected *upazila parishad* as a free and independent local body with renewed vigour and enthusiasm, the old issue of power sharing between the local MPs and *upazila* chairmen once again surfaced. However, the elections proved to be unsteady, as there were complaints of vote rigging, ballot stuffing and embarrassingly even polling stations being taken over. Fisheries and Livestock Minister Abdul Latif Biswas and Awami League law maker Abdur Rahman Bodi, allegedly got involved in the polls in Sirajganj and Cox's Bazaar, Bodi was even accused of beating up officials (The Daily Star, June 4, 2009). In terms of reforming *upazila* laws, although at one point there was a plan of AL government to restore the Upazila Parishad Act, 1998, and keeping the supreme power with the MP's, in the end the MPs forced the parliament to amend the Upazila Parishad Ordinance 2008 of the caretaker government making them (the MPs) as advisers with power to dictate terms in the *upazila* affairs. The power was partially handed back to the elected *upazila parishad* leaders as MPs were given the some authority to act as advisors, rather than rulers.

In the absence of a clear demarcation of powers and activities between MPs and upazila leaders, the question still remains is how the MPs will act as advisors to upazila parishad and how this most vital and resourceful local government system (i.e. upazila) will work. Some reports of conflict between the MPs and the upazila chairmen are already emerging from different corners of the country and the upazila leadership are frequently expressing their discontent at the unwillingness of AL government to accept the 2008 Act. The controversy over the power of the *upazila* chairmen and the MPs has generated serious debate in the political and civil arenas as meetings, seminars, symposia, rallies, press conferences and even litigations in the court of law are taking place (Azad, 2009).

### **A Review of Reform**

Local government had experienced good number of experiments with different models since the British time. The more prominent of these changes are the three tier model introduced in 1885, Basic Democracy of 1950s and 1960s, district administration council in 1975, *gram sarkar* model in introduced in 1980, *upazila parishad* in 1982, and reinstated *gram sarkar* in 2003. The period of 1990s can be termed as the period of promises without any result. In spite of a long historical tradition, popular agenda for reform during the last four decades and recent attempts by successive democratic governments, “the institution (local government) still maintains antediluvian and puppet like existence administered through remote control mechanisms by a central state, having no basis in the productive or political forces at the grass root level” (Ahmed 1993). This observation though made in the early 1990s, still holds true.

The elected governments took not enough interest in conceptualizing the political merit in empowering local government. They seemed to take some interest in addressing two or three policy issues only – i.e. tier, fiscal power and election modality. Beyond these, the policy planners did not deal with other substantive policy arenas such as role of MP, local planning, service delivery, accountability and transparency, village court, gender empowerment and so forth. On the question of implementing laws, the three important attempts by elected governments, first in 1992 then in 1997 and finally in 2008, ultimately did not even end up in the completion of total reform of local government. Laws were framed for *zila parishad* and *upazila parishad*, but could not be implemented. However, election to one tier, the union *parishads* always took place with a very high participation. Women members, from reserved seats, were

directly elected to union parishad in 1997 and then in 2003. This was a positive step in the history of local government reform. Ironically, it is under the non-democratic military or caretaker administration that local government reforms gathered more momentum and some substantial policy changes towards democratization and decentralization. The *gram sarker* of Genral Zia, *upazila* scheme of General Ershad and the previous caretaker government are good examples of such move.

On the political front, BNP, AL, Jamaat-e-Islam, and Jatiyo Party are all promise-bound to decentralize power to local government so far as their election manifestoes are concerned. BNP in its 2001 election manifesto expressed the wish to revive the GS and also indicated to make the ZP and UP the centers of all development activities in their respective areas. It also clearly stated that Fiscal and administrative power would be delegated to the local bodies as part of self-reliant national policy (BNP, 2001). AL pledged in its election manifesto “In order to decentralize the power and empower the people, in the village, union, upazila and district level, four tier autonomous democratic local governments will be given full shape. *Zila parishad* and *upazila parishad* elections will be held on priority basis” (AL, 2001). Jamat was less elaborative in its pledge on local government. In a cryptic note, it expressed that local government needs democratic setup (Jamaat-e-Islam, 2001). JP (Ershad) was clear in their intention. They pledged to re-establish upzila and further strengthen local government with elected representatives at all tiers. But if election manifesto speaks of the intention of political parties, then all the major parties, the power brokers, are all for democratic local government with decentralized fiscal and administrative power. But in reality the picture is different. AL who held power from 1997 to 2001 failed to keep its promises. Though it enacted laws for all the four tiers, but failed to hold election except at the union level. In spite of repeated promises and several feeble attempts, it did not fulfill its 1996 election promises and it did not shift much now from its previous position. BNP so far demonstrated its apathy to revive elected *zila parishad* and *upazila parishad*. Consequently, its political commitment to implement existing laws was almost missing. Even with the existing union *parishad*, City Corporation and municipalities in the urban areas, necessary political vision and planning to strengthen these institutions is absent.

Khan sums up the inconsistent journey towards decentralization in Bangladesh: “During its 16 years of democratic experience, Bangladesh observed the penetration of partisan politics in all aspects

of public life. A ‘winners-takes-all’ system was developed where the incumbent attempted to tighten its grip over the public institutions. The local government institutions fell victim to this phenomenon and during this time span, and became ineffective” (Khan, 2009).

Bureaucratic role in local government reform was never beyond doubt. With if not strong but better organized bureaucratic civil administration, the government ultimately ends up as a leviathan institution (Chowdhury, 2002). The size of the civil service has doubled since independence (World Bank 2002). This means central government is being enlarged instead of local government. Bureaucratic growth at a time of declining local government power suggests implicit bureaucratic resistance to reform continues. With regard to service delivery, the role of local government gradually decreased. With the creation of parallel rural development organizations in the public and private sphere including NGOs, the role of union parishads and even municipalities noticeably waned.

### **Critical Policy Areas**

Democratic reform in local government has not been steady over the years. As it indicates, too much experimentation with local government without adequate political will and bureaucratic commitment led to a weak and dysfunctional local government. The local governments that have survived in both rural (i.e. *union parishad* and *upazila parishad*) and urban areas (city corporations and municipalities) suffer from a range of autonomy, capacity and structural problems. In the light of the historical perspective and an understanding of current policy discourse, a list of policy areas for reform can be outlined. Two sets of policy areas can be identified-broad issues and specific issues. The broad policies have implications for all local government institutions. These policy areas affect the functioning of the existing local governments in one way or another. The broad issues include number of tiers of local government, election modality, central-local relations, fiscal power and so on. The specific issues are those that do not cut across all local government authorities, and are more specific to current policy discourse (e.g. MP- *upazila* relations). Though not all of these policy topics are widely discussed in the reform constituency (e.g. local government, civil society), and certainly not all of them were given proper attention by governments in power. The reason is that policymakers and policy advocates have a piecemeal approach to the problem of local government. As a result, they tend to interplay with one or two policy matter and give utter importance to those only (e...g. at the present time the most important topic of discussion are role of

MP in *upazila parishad*. But that does not mean that local government does not suffer from other the policy constraints. An effective reform program has to deal with all these policy questions; it must recognize the issues before making an incremental strategy to address them over a period of time. But a meaningful and effective local government reform has to take an account of all the policy issues and look at it from its entirety.

### **Concluding Observation**

With regard to local government reform, Bangladesh is in the midst of transition both in terms of public interest articulation and policy response. There still are many problems on both supply and demand sides of reform constituency. The supply side, despite being as rhetorical and implicit as ever before, now looks more resistant to reform than in was in the recent past. Even those who are little differently thinking reform options (AL and its coalition partners) are not taking a democratic perspective to change.

On the civil society side, the critical question is whether there exist a collective social will on reform. The probable answer is no. Inadequate debate and discussion have led to poor knowledge and understanding of policy issues in the wider society. On the other hand, the elitist civil society lacks an all-encompassing attitude which leads to incoherent and partial making of policy agendas. Both of these factors have lead to the current situation where society is not yet ready with a 'collective will' or vision on local government.

However, a majority of civil society leaders seem to have an idealistic position on reform thought their vision is mismatching with the reform history of the country. Just to expect a radical form of devolved local government is not an easily achievable option. In view of how little Bangladesh has achieved on local government reform in the last thirty years, this vision is a wishful thinking. The reform dreamers are misjudging the practicalities in the reform journey which they are a part of.

The policy formation process in Bangladesh is weak, undemocratic and non-participatory. A brief analysis of the key institutions involved in policymaking will testify that. The weaknesses in the parliament include lack of debate on substantive policy issues, lack of committees, and lack of public consultation and public hearing. The executive branch of the government lacks any mechanism to get feedback from citizens or public interest groups, and there is no contact point between the cabinet and civil society. The civil servants are traditionally

skeptical to public views, are closed in their own territory, have fixed mind-set and are typically resistant to policy change. Even in the civil society arena public debate does not really involve “public” at large, urban elites tend to dominate the scenario and they interface with the same political personalities, fail to attract the majority of politicians and civil servants to their policy ideas, there is weak echo in media.

To put the whole scenario on a canvas: the local government policy reform process is hazy and characterized by implicit action by lawmakers and political leaders. The policy positions of key people in politics, administration and civil society is rather hidden. The political elite have time and again displayed a double standard attitude with rhetoric and inaction. Inadequate public place and support networks may not always allow the champions like local government association leaders and civil society activists to exhibit their position.

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# **The Changing Role of Government Reform of Public Sector Undertakings (PSUs)**

**Shipra Bhatia**

## **The Debate on Public Sector Reforms**

Reforms in public sector have always been peripheral and soft. There is little evidence available in the history of Public Sector Reforms that could substantiate the fact that government has seriously aspired for change. From the Keynesian State to Beveridge State<sup>1</sup> the debate has always been on the issue of transfer of power to the state, as a result public sector has grown to an obese, high consumption and non-performer status. The subsequent failure of the developmental decades of sixties, seventies and the eighties, multiplying debts, underperformance Official Development Assistance (ODA) for developing countries and deteriorating condition of environment and natural resources led to rethinking on the way public sector function. Keynes state and Beveridge programs only added to a 'state on subsidies' in which 'entrepreneurship' ironically was a major causality. Margaret Thatcher struck the chord by privatizing the domain of public sector, followed by R. Reagon, whose uncompromising economic pull of public sector characterized his period with a popular title of 'Reaganomics'. The present paper will highlight the changing role of the Indian government and the direction, which is most likely to be taken by it. It also examines methodologies of reform which are emerging as variants of new public management approach being introduced in some states, following popular trends in advanced market economies.

Interestingly Public Sector Reform story is about the broad shifts over the last 50 years in practical understanding of the role of the Government. From here the analysis advances into the direction in which public sector is fast turning to i.e. privatization. For over two decades a wave of public sector reforms have swept through countries in varying state of development like developed countries like UK, Australia, USA, transitional countries like Malaysia, Brazil, India, Philippines and developing countries like Bangladesh, Pakistan and Chile. The role and institutional character of the state and of the public

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<sup>1</sup> Sir Beveridge (1942) prepared a report titled 'Social Insurance and Allied Services' to provide social insurance to all citizens in Britain. It was anti-laissez faire in nature.

sector have been under pressure to be more competitive, market-oriented and open to partnership with private sector-oriented. It initially started in developed countries as part of New Public Management program but later reached in some developing countries in the context of International Monetary Fund and World Bank-supported Structural Adjustment Programs (SAPs).

The last two decades have seen a massive privatization process of productive and other activities previously considered public services. This has been a product of a number of factors, including the economic and fiscal crises of the state that called the post-war consensus on the active role of the state in the economy into serious question. The 1970s and 1980s led to a rethinking of state-led development, which had increased the size, functions, and power of the state and its bureaucracy.

### **A Paradigm Shift in Public Sector Reforms:**

Traditional public administration was largely based on Weberian notion of bureaucracy and hierarchy as pursued through the works of Fayol, Gullick and Urwick. The new reform movement engulfing Public Sector represents a 'paradigm shift' (Kettel1997). Osborne and Plastrik (1997:15) perceived it as ushering in a 'new world order' even though there is no consensus on its content and practice.

It's consistent decisions making and efficient practices based on the narrow specialization of tasks within a framework of the division of labor increased it's predictability even though traditional public administration was diagnosed as suffering from 'bureaupathologies' (Caiden, 1991). Red tapism and bureaucracy resisted to change marred public sector. Victor Thompson highlighted the fact that the 'absence of feedback loop' led to one of the most symptomatic characteristic of modern bureaucracy ie rigidity leading to a growing unbalance between ability and authority. Traditional public administration was perceived or not working and not able to deliver in the rapidly changing world.

Effectiveness and results take precedence over legality, flexibility and adaptation are more vital from predictability and responsibility and competition with private sector delivery is preferred to delivery by government monopoly and bureaucracy (Larbi, 2004). Public sector bureaucrats are eventually perceived as administrators inferior to their private sectors equivalents who manage their organizations more

efficiently (Aucoin, 1990:115-137). Olson (1988) calls this form of political administrative control 'sovereign, nationality bounded state', meaning a neutralized state with a large public sector in which standardization and equality are prominent features. Thus, Jacobson as quoted in Christenson and Laegrid (2003) sees the role of civil service in such a state a complex, having to take into consideration many decision stimuli and premises that are ambiguous and inconsistent.

Olson (1988:241-242) labels the alternative model of political administrative control as 'the super market state'. This model presumes that the Government and the state have a service-providing role, with an emphasis on efficiency and good quality and view people as consumers, users or clients (Hood, 1998:98). In this model rather than the state controlling society on the basis of a democratic mandate from the people, society controls the state through market mechanisms. If Government units do not produce satisfactorily, they should be abolished. Administrative reforms appear to be apolitical in nature (Frederickson, 1996:268).

As previously mentioned the scope of public sector reform has been equated to a paradigm shift (Ketel, 2000). Paradigm contains both ideological and intellectual dimensions. Osborne and Gabler (1992) claimed that 'a new global paradigm' has emerged in public administration<sup>2</sup>. Yeatman (1994:287-297) argues that global environmental factor affect the change and cites the changes in industrial organization to a post-Fordist flexible specialization model to a post bureaucratic model of public service. Scope of reform and restructuring has changed the character, operation and ideological underpinning of public sector to such an extent that the model of change has been termed as transformational.

The 'Single Paradigm' has been questioned by various authors like Hood (1996)<sup>3</sup>. This meant that all the countries have the same strong environmental pressures to attend to whether the pressure comes from technical or institutional parts of the environment (Christensen & Laegreid 2000).

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<sup>2</sup> In the similar vein, Peter Aucoin, argues that there is an "internalization of public managers" For details see Aucoin, P. Administration Reforms in Public Management, *Governance*, (3) pp115-137

<sup>3</sup> For details see, Hood, C(1996), "Beyond Progressivism". A new global paradigm in public management? *International Journal of Public Administration*, 19(2) pp 157-177.

In contrast, the divergence thesis, suggests that, external and internal conditions point cumulatively and systematically in different directions. (Hood, 1998). Environmental pressure, the context of reforms, the polity factor and the cultural constraints are different and these in turn influence the shape and size of reforms. Welch & Wong (1998:40-49) argue that reforms occur when global pressure acts upon domestic system.

The political discourse on public sector reforms is determined to evaluate the fact whether change is part of a 'national action' that shapes reform or 'international diffusion' whereby management, policy and political trends influence the reform process treating local and global features. (Lynn 2001:198-208).

Lynn (2001) drew on the works of system theorists such as Thompson (1967) and Parsons (1960)<sup>4</sup>. He along with Carolyn Heinrich and Carolyn Hill developed a theory based research model to understand the process of reforms<sup>5</sup>. They developed an analytic framework that identifies different levels of governance, and how change affects at different levels. The framework indicates how broad changes filter through the different sites to shape the character and features of public sector organizations. In this model, governance arrangements are organized into a set of layer. The first layer is environmental; second, institutional; third, managerial; fourth, technical; fifth, political assessment. The framework serves to illustrate that change creates a dynamic set of relationship that operates not only internally within each level, but also between the different layers. He proposed that national welfare and public service institutions mediated the type of change that occurred within a governance framework. Investigators can explore the determinants of policy and program impacts without becoming distracted by the alleged split between policy level (top down) or street level (bottom up) explanations of outcomes. The authors propose to incorporate the multiple levels of variables<sup>6</sup>

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<sup>4</sup> For details see: 1) Thomson, J.D (1967) *Organization in Action: Social Science Bases and Administrative Theory*, New York: MC Graw Hill. 2) Parsons T (1960) *Structure and Process in Modern Societies*, New York Free Press

<sup>5</sup> *A Logic of Governance :A Framework for Studying the Effectiveness of Public Policy and Programs Research Paper* .Harris School of Public Policy .University of Chicago.

<sup>6</sup>  $O = f(E, C, T, S, M)$  Where

O = Outputs /Outcomes

E = environmental factors (political structures, degree of competition, macro economic, target population, legal practices)

Kersteen Sahlin (2003:44-45) has identified three trends in the spread of reforms. The first type of trend is nationally based, when a number of countries pursue similar reforms, independent of each other. The national context of each country explains the choice and extent of reform. The second type of trend is internationally formed. Countries are not isolated, but learn from each other. They imitate and react to each other. The third type of trend is transnationally formed. There are number of reform organizations, consultants etc. which observe countries, then compare and publish reforms.

### **Imperatives for Reform:**

In reviewing the factors driving public sector reforms, there is need to look beyond developing countries to market economies where the new public management revolution started. This provides useful insights to understand better the pressures for, and influences on, public sector management reform in command and developing economies. Public sector management reforms in developing states cannot be disassociated from the international context and influences, particularly the involvement of international financial institutions, donor agencies.

The changes in the public sector have occurred as a response to several interrelated changes. Osborne and Brown (2005:30-67) have developed the PEST Analysis (Political, economic, social and technological changes) to study the logic of public sector reform. The large and growing literature on public sector management reforms in Western countries (e.g., Australia, Canada, New Zealand and the United Kingdom) has emphasized that changes in the economic, social, political, technological and administrative environments combined to prompt and drive radical changes in public administration and management systems (Lane, 1997:1-16; Kettl, 1997:446-462). The central objective of change was improvement in the ways in which government is managed and services delivered, with emphasis on efficiency, economy and effectiveness (Metcalf and Richards, 1990). These factors will now be discussed briefly in turn.

### ***Political Imperatives***

The rise of anti-government parties in the US and UK led to the attacks on the size and capability of the public sector. There were reforms to

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C = client characteristics (behavior of clients that affect outcomes)

T = treatments (core processes and technology)

S = structures (organizational types, delegation, decentralization, administrative rules, budget, Institutional culture)

M=Managerial roles (leadership practices, staff management, professionalism and accountability mechanism)

the public sector that followed the elections of Ronald Reagan in 1980 and Margaret Thatcher in 1979 (Flynn, 1997). Instead of simply being reforms, the whole conception of the role of the state and public sector began to be questioned. The debate over the public sector became contentious as new right parties attacked socialistic policies of government. Bureaucrats became effective scapegoats for governmental problems and a movement started to dismantle them.

### ***Economic Imperative***

The initial impulse to public sector reforms in developing countries has been the economic crises that became transparent in the early 1980s. The oil crisis of the early 1970, falling commodity prices and recession in the West led to increasing balance of payments difficulties not only for the advanced countries but also for those countries which were dependent on them for export markets. Countries like India, Sri Lanka, Ghana, etc. opened up their economies, through the liberalization and deregulation of trade and investment, the program included macro-economic stabilization, privatization of public enterprises and a social element to protect those affected by transitional hardships.

### **Role of Multinational Financial Bodies**

World Bank and International Monetary Fund support the physical infrastructure of member countries including financial and economic. The primary responsibility of the World Bank, when it was founded was to finance the economic development of its members' nations. The World Bank leading programs have shown some measures to improve performance of public sector enterprises.

Paul Mosley (1988) suggests that, "The Bank is trying to resolve the problem by widespread program of privatization of public sector enterprises in the developing countries. Cook and Kirkpatrick (1995) state that bilateral agencies such as USAID and international financial institutions, like World Bank and the IMF, have exerted pressure on developing countries to undergo privatization.

Common (1998:440-450) also contends that supranational institutions, initiate and encourage global policy transfer through coercive means by tying developing funds, aid and resources to particular prescriptive policy foundations. Berg Report on Sub-Saharan Africa (World Bank 1981:5) concluded that: 'It is now widely evident that the public sector is overextended, given the present scarcities of financial resources, skilled manpower, and organizational capacity. This has resulted in slower growth than might have been achieved with available resources...'

In the same vein, World Development Report (1987:66-7) observed, 'The Performance of State Owned Enterprises, varies widely between countries but their has frequently been poor. ...They have failed to play strategic role. ...They have often put large burden on public budget and external debt'.

The Washington Consensus was a term coined by Williamson in 1980, as a lowest common denominator of policy advice being addressed by the Washington based institutions to Latin American countries as of 1989. It was a neo liberal counterpart for the Reaganism and Thatcherism that had been prescribed for developed economies – an ideology or reliance upon market forces, and of the reduction of state interference and expenditure to minimum.

Stiglitz (1998)<sup>7</sup> argues that world is moving towards post Washington consensus, where privatization is not an end but means where privatization should be accompanied by, or even subservient to, competition policy. But both Washington and post Washington consensus are couched in similar epistemological issues. They are specific to weighing up the relative strength of public and private sectors, but they do not look at the role of state historically, and draw distinction between state and society and whether capitalism is socially embedded.

### **Social Imperatives:**

Governments are faced with greater pressure to respond to the citizen demands for more economical, timely and effective services. Political constituency issues have led to a concerted effort to include citizens in the process. It asks for more vibrant and frequent interaction and connection between governments and society. With the changing expectations, citizens have become clients and consumer. With the rise of new social movements, various deprived groups like women, ethnic minorities and disabled have started claiming their rights, and the trend away from bureaucracy has emerged.

### **Technological Imperatives:**

Technological change affects management of government. Technological changes can be of two kinds (Osborne and Brown2005). The first, hard, which relates to structure and equipment and the second relates to the soft changes, i.e. process and skills of delivery services.

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<sup>7</sup> For details see: Bayliss.K and Cramer C(2001) 'Privatization and the Post Washington Consensus' in Development Policy in Twenty First Century(ed)by Ben Fine ,Routledge, London.

With the spread of information technology, information and data of all kinds can be gathered and transmitted inexpensively and also transformed into performance information, which allows management to be decentralized. This leads to substantial management changes in Government, compared to the primitive technological ban of traditional model of administration. Information technology changes management and the hierarchy<sup>8</sup> and relationship between citizens and Government. Apart from the use of information and communication technology (ICT), new organizational forms are introduced. New service delivery techniques like public – private partnership or use of quasi market are used to take care of the new emerging issues.

Coming to the soft change, new professional skills have to be imparted keeping in mind the changing nature of the society. In India, various reforms related to ICT are being carried on. Both at the national and state level, Government is trying to adapt more user and citizen friendly technologies to make governance more accountable and transparent. Mahiti – Shakti in Gujarat, Tarahaat in Madhya Pradesh are few examples of cross cutting of civil society initiatives with programs of reform.

### **Privatisation or Public Sector Reforms? The Unresolved Debate**

Reviewing the state of public administration Kettl (1993) has identified two types of attack on public sector. From the right, advocates of privatization (Savas, 1987) were pushing for the replacement of Governmental power with market competition through privatization. From the left people like Osborne and Gabler (1993) called for beefing up Government by making it more entrepreneurial. There is a clear distinction between the privatization and public sector reform. While the former focuses on the disposal of assets, the latter focuses on permitting enterprises some independence, while retaining the benefits of public ownership. In Savas (1987:288) words, “privatization is the key to better Government; in that society’s needs are satisfied more efficiently, effectively and equitably”. It is fervently believed by the believers of the privatization that, less Government is better Government, private sector is more efficient than the public sector, and Governments are ineffective in providing services. Provisions of services by the private sector are more economical and public sector would improve in efficiency, effectiveness and economy by adopting private sector values. Public sector reform is a strategy to save the Government and to repackage it through reinvention. It is a kind of

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<sup>8</sup> For details see: Thomas, J & G.Streib (2005) ‘E–Democracy, E-Commerce & E-Research, *Administration & Society*, Vol.37 no.3, July pp 259-280

managerial solution to deal with political question. Public service workers and recipients are becoming more worried about the negative impact of outright privatization on their interest and welfare, public sector reform would present more acceptable alternative (Cheung, 1997:435-458).

Privatisation is one of the many approaches to the conduct of the public business. Yet the experience of privatization applied to certain sectors or countries has ultimately raised objections and resistance even among early and committed proponents, who find that privatization in some contests creates serious risks (Nellis, 1999), which is interpreted as the result of public capture of the process. Even the strongest proponents of privatization admit the negative consequences of privatization such as loss of quality in service delivery, potential abuse, lack of incentives for private firms to take on unprofitable functions of the Government, and loss of social equity (Savas, 1987).

David Osborne, and Ted Gabler (1992) note that privatization is just one answer to the problems of government. "Privatization is one arrow in Government's quiver. Privatization is simply the wrong starting point for discussion of the role of the Government. Peter Drucker (1973) argued that we need more governance, not less. Privatization is not necessarily a key to better government. Privatization cannot replace government functions; indeed it cannot even replace a portion of these functions in society. There are areas in which government does better and even the best, such as in policy making and management, regulation, control, social equity, prevention of discrimination and exploitation, protection of individual rights and citizenship, provision of security and stability in governance and administration, social control and cohesion. (Rosenbloom 1993). On the other hand, private businesses can do better in certain other tasks related to the market, such as production and sale of foods, shoes, clothing and material supplies for consumer (Osborne and Gabler 1992).

Wortzel (1989:633-638) says that by changing the ownership or privatization is not the only answer to problems created by public enterprises. The real problem arises from a lack of clear goals and objectives, coupled with inappropriate control, motivation and reward systems. Farazmand (2001) suggests that, reforming and developing public enterprise management and other areas of public administration is the best, alternative to privatization. He argues that sweeping privatization leads to some negative consequences namely, loss of

government control over enterprises if the enterprise fails, rise in corruption, shrinking of public sphere in favour of private sector, and benefiting upper incomes peoples as opposed to broad base of citizens.

Lane (1996:1-16) has questioned the Deregulation, Privatization and Marketization framework (DPM) of Chicago School of Economics (George Stigler and Friedman Milton). He argues that this framework focuses more on efficiency rather than need for better accountability in terms of human rights, due process of law and transparency of rules and to the promotion of individual and or group justice. He says that accountability and issue of justice is not just confined to public sector but also to private sector Heald (1998), says that, privatization is not a blanket panacea. He argues that real commitment to reform has been lacking in many developing countries. The social costs of privatization are too high, and ability to deal with multi nationals is too low in developing countries.

With the rise of business like and market model of governance, there is an emerging challenge to publicness of the services. The business like changes in the objective, structures functions, norms and uses of public tend to diminish its publicness in terms of its current trend towards eroding public– private distinction, shrinking socio economic role, narrowing composition of service recipients, worsening condition of accountability, and declining level of public trust (Haque, 2001:65).

Walsh K (1995) has also criticized the use of market-based approaches in the use of public services. Though, he agrees with the financial or quality gains derived from the market, he is worried about the distancing of political from the public realm. He argues that market mechanism provides justification for the thin state, concerned with procedural rather than substantive justice. Market based assumption might give us the option to choose, but in a democracy, people just don't want to choose, but also to get what they want. The resort to moral concepts such as social justice justifies public policies. And the ethical interpretation of the notion of justice may be employed in the understanding of ongoing policy making (Lane, 2000:267-303).

This raises the question of suitability of private sector values to public sector. Both public sector and private sector values have merits. Public sector can incorporate some of the private values but should safeguard its overall role as the guardian of public interest. Public sector is engaged in providing services whose scope and variety are determined not by the direct wishes of the consumer, but by the

decision of the representatives of citizens. Role of politics in the state should be to protect the interest of weaker from the interests of the privileged. The government has a distributive role and should ask the question about the basic purpose of public policies; to what extent they promote social justice. Public policy marginal or comprehensive – has distributive implications, which need to be evaluated in terms of justice and equity. If government is looked upon as tool for social reforms, then what is the overall objective behind disinvesting public bodies? Each policy promotes certain interests at the expense of owners but the question remains – what is just public policy? How is the state to act if it wishes to enhance social justice?

Is there any set model for reform? Can New Public Management be transferred from developed countries to developing countries? As suggested by Fifth Pay Commission, (1997) reforms in India were inspired by New Zealand, Malaysia and UK but theoretically implanted reforms are not successful.

Riggs (2000) says that there is lack of local understanding about the structure of power amongst foreign change agents. Williamson (2000:258) says that, the impact of privatization depends on how it is done. Schick (1998:123-131) suggests reasons why most developing countries should stay away from New Public Management type reforms as practiced in New Zealand. Lack of political consensus, no mass based electoral support, and lethargic bureaucracy, has often come in as an obstacle to reforms.

It is apparent from the factors driving change that the context or conditions for introducing privatization-type reforms in developing countries may be different from those of developed countries. Public sector reforms in states tend to be driven by donor conditions. The comprehensive nature of reforms and fixation for quick results usually fail to take account of existing institutional and management capacities. This may overstretch and overload the administrative and management capacities, both of reforming and implementing agencies and of their political supporters. Countries differ widely in terms of their institutional conditions and their capacity to implement public sector management reforms based on market principles and practices.

While the new public management approach may not be a panacea for the problems of public sector management in developing countries, a careful and selective adaptation of some elements to selected sectors may be beneficial. Implementation needs to be sensitive to operational reality (Larbi 1999). The disinvestments policy of Government of India shows how imperative it is to reexamine the market based reform, and

to readdress the adverse impact on the under privileged or low income citizens who have suffered economic losses and have become victims of social exclusion. Reforms in India were interpreted within the framework of New Public Management, fostering the impression that efficiency and market-based reforms account for greater change and innovation. The focus on just New Public Management, distorted the policy makers view that refused to look at other approaches to public sector reform. A balance has to be maintained among competing drivers of change. Kaufman (1985:36-38) contends that changes in values, tastes, economic development, existing political, social, and economic institutions and knowledge and technology influence the pattern of reform. Broad shifts in values especially due to post modernism, has altered the direction of reforms. Wise (2002:556) contends that values that are germane to any reform process are: social equity, humanization and democratization and empowerment.<sup>9</sup>

Ali Farazmand<sup>10</sup> argues that privatization and globalization are related as they constitute a deliberate program of promoting the market at the expense of ordinary citizens. He evaluates the pros and cons of market-led reforms. On the positive side, he cites the newfound interest in modernization and results-orientation. On the other hand, he is concerned that these reforms are not only a threat to democracy and self-governance. In his view, privatization leads to a diminution of skills and capacity and a weakening of the regulatory role of the state and of the public interest. He argues that it is the essential to expose the shallowness and contradictions of the New Public Management policy proposals.

It is important to provide answer to contingencies arising out of the following situations, which directly affect the public sector undertakings in India:

- 1) Privatization as a reform process: Privatization as a reform process and its implications for state, democratic process, social justice, equity and judiciary.
- 2) Comprehensive reform strategy: A comprehensive reform strategy extending to other, areas of public sector such as accountability, right to information, information technology.

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<sup>9</sup> For details see: Wise.L.R.(2004) 'Public Management Reform: Competing Drivers Of Change' *Public Administration Review*, Vol.62, No.5, pp555 - 567

<sup>10</sup> For details see: Farazand A (1999) 'Privatization or reform Public Enterprise Management in Transition' *International Review of Administrative Sciences*, 65 pp 551-567

## **Public Sector in India: Structure, Growth and Policy Review**

The sustained growth of Public Sector Undertakings (PSU) in India dates back to the early years of planning following national independence. An organizational phenomenon borne out of the concept of mixed economy came to establish its dominance in basic and strategic industries such as steel, minerals, metals, coal, power, petroleum, chemicals, fertilizers, pharmaceuticals, heavy engineering, and a major shareholder in industries such as transportation services, agricultural-based products, trading, marketing, food processing and financial services. These PSUs were instruments of national development, supplemented government efforts to promote the social and economic objectives laid down in the national plans. They provide greater flexibility as compared to government departments in implementing program such as self-reliance, social justice, expansion of employment opportunities, balanced regional development, acceleration of the rate of growth of agricultural and industrial production, prevention of concentration of economic power and technological self-sufficiency. PSUs have thus become principal instruments of planning in India, occupying commanding heights of economy, and controlling and directing in a large measure the entire course of national development. They are established as government companies or statutory corporations under specific statutes of Parliament. This however excludes commercial banks and financial institutions. .

There are 290 central government PSUs, including banks and insurance companies. These have an annual gross value added of Rs 2.8 trillion. Eighty-one companies out of the 290 have been partially privatised (listed). These 81 create Rs 1.8 trillion of gross value added per year, while the remaining 209 unlisted companies create Rs 0.9 trillion of value added per year. Thus the unlisted PSUs are roughly half the size of the listed PSUs. Nearly 55% of the value added in the organized sector in India is in the public sector. The government controls 56% of parts of the finance industry such as banking and insurance, and 81% of oil production and distribution. A key element of infrastructure is electricity and telecom in which 79 and 83% of the value added is in the public sector respectively. These facts suggest that even though there has been an attempt to encourage liberal economic policies for many years, public sector remains a dominant aspect of the Indian economy.

The public sector acquired its dominant role since the early 1950s as a consequence of the need for planned and accelerated economic

development. The private sector was found weak and ill equipped to face the challenges of the contemporary times especially the role in basic industries and infrastructure was not forthcoming for various reasons such as long gestation periods, lumpy investments and low returns. The private sector was also not willing to establish industries equitably in all the regions of the country. The public sector contributes to the exchequer in the form of dividend on equity, various forms of duties and Taxes. During 2003-04, the public sector contributed about Rs89024 crore to the exchequer by way of dividend (Rs.9596.45 crore), interest (Rs.788.68crore), excise and custom duties and various taxes (78639.75 crore).Public sector occupis a key position in several sectors, especially in the production of fuel, basic metals, non-ferrous metals and fertilizers and also in employment.

### **Logic of Disinvestment**

The Industrial Policy Resolution dated April 6, 1948 envisaged an important role for the public sector. It laid down that besides arms and ammunition, atomic energy and Railway transport which would be the monopoly of Central Government, the State would be exclusively responsible for the development of six basic industries namely, iron & steel, coal, aircraft manufacture, ship building, mineral oils, manufacture of telephone, telegraph and wireless apparatus - except where, in the national interest, the State itself found it necessary to secure the cooperation of private sector. All the other areas in industry were left open to private enterprises. The vital role to be played by the public sector was enshrined with a much greater emphasis in the Industrial Policy Resolution of 1956 wherein industries were classified into three categories. The first category contained industries, the future development of which was to be the exclusive responsibility of the State. The second category consisted of industries that were to be progressively State-owned and in which the State was, therefore, to generally take the initiative in establishing new undertakings, but in which private enterprise was also expected to supplement the efforts of the State. The third category was to include all the remaining industries and their future development was in general left to the initiative and enterprise of the private sector.

The Industrial Policy Statement of 1973 identified high priority industries where investment from large industrial houses and foreign companies was to be permitted. The Industrial Policy Statement of July, 1980 laid emphasis on the revival of the efficiency of public sector undertakings through a time bound programme of corrective

action on a unit by unit basis. The Industrial Policy Statement of July 24, 1991 adopted a new approach towards public enterprises and laid down certain priority areas for the growth of these enterprises namely, essential infrastructure goods and services, exploration and exploitation of oil and mineral resources, technology development and building of manufacturing capabilities in areas which are crucial to the long-term development of the economy and where private sector investment is inadequate and manufacture of products where strategic considerations are predominant such as defence equipment. The government appointed several committees to look into the problems of PSUs. The prominent among them being the Estimate Committee (1955), Administrative Reform Commission (1967), Mohd. Fazal Committee (1980), Economic Administration Reforms Commission (the L.K. Jha Commission) on Government & Public Enterprises which submitted four reports on top management and the Boards, autonomy and accountability, Government clearances and approvals and profitability of public enterprises respectively during November, 1983 - June, 1984 and the Committee to Review Policy for Public Enterprises headed by Dr. Arjun Sengupta which submitted its report on 31st December, 1984. The overriding concern of the above Committees was based on 'Washington Consensus'

The economic policy changes introduced by the Central Government since July, 1991 have covered various issues relating to the scope and administration of the public sector units. The different elements of the policy relating to public sector undertakings, as outlined in the policy statement of July 1991, have been set out by the Ministry of Industry (Department of Public Enterprises) in their document 'Public Enterprise Survey 1992-93'. Policy Statement covers the following decisions.

- a) Portfolio of public sector investments will be reviewed with a view to focus the public sector on strategic, high-tech and essential infrastructure. Whereas some reservations for the public sector is being retained, there would be no bar for area of exclusivity to be opened up to the private sector selectively
- b) Chronically sick Public Sector Units will be referred to the Board for Industrial and Financial Reconstruction (BIFR). A social security mechanism will be created to protect the interest of workers.
- c) In order to raise resources and encourage wider public participation, a part of the government's share-holding in the public

sector would be offered to mutual funds, financial institutions, general public and workers.

- d) Boards of public sector companies would be made more professional.
- e) There will be a greater thrust on performance improvement through the Memorandum of Understanding (MoU) system, through which managements would be granted greater autonomy and will be held accountable.

The reform program of the government aimed at increasing the efficiency of the public sector and reducing the drag on the government budget by the loss-making public sector undertakings. There is greater emphasis on profitability and resource generation in the public sector. Earlier the performance of public sector was judged by the range, variety and prices of services it rendered to the public and not much by their financial results. With liberalization, the philosophy and the fundamental principles of the public sector has undergone significant changes. Competition emerged in the public sector from within the country and outside world to bring more efficiency and productivity. Hence, the major challenges for public sector undertakings in India today include productivity growth through up-gradation of technology, boosting in-house research and development (R&D) activities, and to increase profits and efficiency of operations.(Aggarwal R.N.2001)

### **Disinvestment and Beyond**

One aspect to move on to more market friendly economy to improve productivity and efficiency was the effort to privatize public sector undertakings. Initially the emphasis of the disinvestments was on part of the equity to various private sector players both domestic and foreign. This was done through offering shares in bundles, to help government divest shares in loss making enterprises at reasonable prices. But the shares were sold at rock bottom prices. The failure of bundling experiment led the government in the direction of privatization. In other words Indian state had started drifting towards 'privatisation'. Privatisation can generally be described as involving the transfer of responsibility for part or all of a service from government to the private sector (Taylor and Pittman1992). Privatisation represents a conceptual continuum, ranging broadly over divesture and non-divesture options (Ramanadham 1995). Privatisation is based on the notion that through market more efficient services can be provided. It requires minimal intervention by state.

To make the privatization deal attractive government resorted to various concessions like under valuation of public assets, to put profitable PSUs for sale and handing over management control to private players. The policy of the Government on disinvestment<sup>11</sup> has evolved over a period and it can be briefly stated in the form of following policy statements made in the chronological order:

**Initial Phase (starting from the onset of reforms till the privatization had not become the norm)**

The policy, as enunciated by the Chandrashekhar Government (Budget speech 1990-91) was to divest up to 20% of the Government equity in selected PSUs in favour of public sector institutional investors. The objective of the policy was stated to be to broad-base equity, improve management, enhance availability of resources for these PSUs and yield resources for the exchequer. The disinvestment was expected to yield Rs. 2,500 crores to the exchequer in 1991-92. The Industrial Policy Statement of 24th July 1991 stated that the government would divest part of its holdings in selected PSUs, but did not place any cap on the extent of disinvestment. Nor did it restrict disinvestment in favour of any particular class of investors. The objective for disinvestment was stated to be to provide further market discipline to the performance of public enterprises. In the pronouncement of budget speech of 1991-92, the cap of 20% for disinvestment was reinstated and the eligible investors' universe was again modified to consist of mutual funds and investment institutions in the public sector and the workers in these firms. The objectives were also modified 'to raise resources, encourage wider public participation and promote greater accountability'. The Rangarajan Committee recommendations emphasized the need for greater disinvestment. It stated that the percentage of equity to be divested could be up to 49% for industries explicitly reserved for the public sector. It recommended that in exceptional cases, enterprises, which had a dominant market, share or where separate identity had to be maintained for strategic reasons, the target public ownership level could be kept at 26%, that is, disinvestment could take place to the extent of 74%. In all other cases, it recommended 100% divestment of Government stake.

**Second Phase (Starting from when actual privatization process started)**

The highlights of the policy formulated by the United Front Government (1996) were, as follows:

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<sup>11</sup> For Disinvestment Policy check: Various Reports on Disinvestment on [www.dic.nic.in](http://www.dic.nic.in)

- To carefully examine the public sector non-core strategic areas;
- To set up a Disinvestment Commission for advising on the disinvestment related matters;
- To take and implement decisions to disinvest in a transparent manner;
- Job security, opportunities for retraining and redeployment to be assured.

No disinvestment objective was, however, mentioned in the policy statement.

Pursuant to the above policy of the United Front Government, a **Disinvestment Commission** was formed in 1996. It made recommendations on 58 PSEs. In its first budgetary pronouncement (1998-99), the NDA Government decided to bring down Government shareholding in the PSUs to 26%. It however, stated that the Government would retain majority holdings in PSUs involving strategic considerations and that the interests of the workers would be protected under all circumstances. Disinvestment Commission was constituted for preparing an overall long term disinvestment programme for PSUs referred to it and the modalities for disinvestment. The Commission has recommended disinvestment at varying levels for 11 PSEs. Strategic sales in various proportions have been recommended for 19 enterprises. The Commission has also made a number of general recommendations regarding establishment of Disinvestment Fund, delinking the disinvestment process from the budgetary exercise, reduction of Government equity, Voluntary Retirement Scheme, delegation of autonomy to PSUs, etc. The policy for 1999 - 2000, as enunciated by the Government, was to strengthen strategic PSUs, privatise non-strategic PSUs through gradual disinvestment or strategic sale and devise viable rehabilitation strategies for weak units. *A highlight of the policy was that the expression 'privatisation' was used for the first time.*

On 16th March 1999, the Government classified the Public Sector Enterprises into strategic and non-strategic areas for the purpose of disinvestment. The highlights of the policy for the year 2000- 01 were that the Government was prepared to reduce its stake in the non-strategic PSUs even below 26% if need be, that there would be increasing emphasis on strategic sales and that the entire proceeds from disinvestment/privatisation would be deployed in social sector, restructuring of PSUs and retirement of public debt. The main elements of the policy were as follows:

- To restructure and revive potentially viable PSUs;
- To close down PSUs which cannot be revived;
- To bring down Government equity in all non-strategic PSUs to 26% or lower, if necessary;
- To fully protect the interests of workers;
- To put in place mechanisms to raise resources from the market against the security of PSUs' assets for providing an adequate safety-net to workers and employees;
- To establish a systematic policy approach to disinvestment and privatisation and to give a fresh impetus to this programme, by setting up a new Department of Disinvestment;
- To emphasize increasingly on strategic sales of identified PSUs;
- To use the entire receipt from disinvestment and privatisation for meeting expenditure in social sectors, restructuring of PSUs and retiring public debt.

In line with this policy, the Government approved financial restructuring of 20 PSUs. As a result, many PSUs were restructured, to improve productivity and achieve a higher turnover in performance. Government approved a comprehensive package for restructuring of SAIL, one of the initially selected one of Navaratna PSUs. Government also established a new Department for Disinvestment to establish a systematic policy approach to disinvestment and privatisation and to give a fresh impetus to this programme, which will emphasize increasingly on strategic sales of identified PSUs. Government equity in all non-strategic PSUs got reduced to 26% or less .

Shri K.R Narayanan president during those times suggested “The public sector played a vital role in the development of the economy. However, the nature of this role cannot remain frozen to what it was conceived fifty years ago... While some public enterprises are making profits, quite a few have accumulated huge losses. With public finances under intense pressure, Governments are just not able to sustain them much longer. Accordingly, the Centre as well as several State Governments are compelled to embark on a programme of disinvestment.” The Government disinvested a substantial part of its equity in enterprises such as Indian Airlines, Air India, ITDC, IPCL, VSNL, CMC, BALCO, Hindustan Zinc, and Maruti Udyog by selecting strategic partners.

In the Budget Speech of 2001-02, Shri Yashvant Sinha the then finance minister said, "Given the advanced stage of the process of disinvestment in many of these companies, I am emboldened to take credit for a receipt of Rs 12000 crore from disinvestment during the next year. An amount of Rs 7000 crore out of this will be used for providing restructuring assistance to PSUs, safety net to workers and reduction of debt burden. A sum of Rs 5000 crore will be used to provide additional budgetary support for the Plan primarily in the social and infrastructure sectors."

On December 2002, Mr. Arun Shourie, Minister of Disinvestment said that disinvestment which does not result in alienation of national resources would be carried out. When the UPA government came to power, it pledged itself to NCMP (National Common Minimum Programme) agreed upon by the parties supporting it. According to the NCMP, "The Government is committed to a strong and effective Public Sector whose social objectives are met by its commercial functioning. But for this, there is need for selectivity and a strategic focus. It is pledged to devolve full management and commercial autonomy to successful, profit-making Companies operating in a competitive environment. Generally, profit-making companies will not be privatized." Further, it was underlined that navratna (nine gems of the PSUs) will remain in the state sector. Violating this promising, the government aimed to sell of 10 per cent of the shares of the BHEL (Bharat Heavy Electricals) one of the navratna.

### **Assesment of the Privatisation Policy**

The following statement made by Shri Somnath Chaterjee member of the Parliament summarizes the debate<sup>12</sup> regarding the disinvestments policy in India "The country is losing its valuable assets. What is the policy, what is the principle and what is the objective and who have become or are going to be the beneficiaries of this process of disinvestment? There is a total vagueness and no attempt to justify what has been done or what is being done. The basic questions are who the owners of these assets and properties are. Are they taken into confidence? Are the people told or consulted in any manner?"

Mr. Mani Shankar Aiyer, member of the Parliament said "Back in the 1980s, SAIL was losing one crore rupees a day. Prime Minister Rajiv Gandhi put Shri V. Krishnamurthy in charge. He turned it around and, within a year, SAIL was making a profit of one crore rupees a day."

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<sup>12</sup> See Lok Sabha Debates Dec, 18, 2002.

The fundamental premise of the privatization in India has been that, for the production and delivery of goods and services in a competitive economy, the private sector in practice does better than the State or the public sector. Thus the motivation underpinning the policy of privatization is essentially the search for higher economic efficiency, i.e. better delivery of goods and services at lower prices and/or better quality by the privatized enterprises, thus increasing general welfare.

Economic theory does not differentiate between public and private ownership. But a number of benefits have been expected from privatization. New owners would bring modern management, technology and corporate governance with a sharper focus on profitability. Public enterprises often operated at loss, the burden put by their losses in the form of a “quasi-fiscal deficit” on public finance and budget would be removed. This would stabilize the economy by cutting inflation and would permit the state to reallocate public taxes and revenue on social programs benefiting the whole population (education, health, justice) and in particular the workers in public companies who would lose their jobs after privatisation.

In India, arguments supporting privatisation were vociferously proposed. State donor agencies and multinational banks have played major role. Privatisation has taken various forms. It began with partial divestiture programmes, which was undertaken in piecemeal manner with the sole aim of raising revenue. In the second phase of privatization, publicly owned companies were sold to new owners and investors, domestic or foreign, through a mix of methods and procedures (tenders, auctions, management/ employee buy-out,) with a varying degree of transparency and competition. However, the scope and distribution of welfare benefits to the population has depended largely on the degree of openness and transparency of the instruments and methods used for privatisation, as well as on the soundness and effectiveness of the institutions conceived to underpin and permit the smooth operation of a market economy. Strategic sale or privatisation has generally turned out to be an illusionary mode of redistribution of economic power<sup>13</sup>, as real ownership and power gets concentrated into a few centres of influence and wealth. They are either national or international corporate houses.<sup>14</sup> This welfare backfiring was often aggravated by the use of non-transparent procedures for the privatisation methods (tender, auction, management buy-out). Hastily

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<sup>13</sup> Reliance holds the monopoly over petrochemicals in India after purchasing IPCL.

<sup>14</sup> Reliance in the case of sale of IPCL and Vedanta Group of Companies in case of BALCO.

privatized PSUs, largely on revenue and under the pressure of business and ideological groups, despite the risks attached to the transfer of such monopolies to private hands and often lead to policy reversals.<sup>15</sup> An excessive focus on the fiscal aspects of disinvestment leads to undesirable social consequences. However, for chronically loss making PSUs, the public at large is neither interested in buying shares, nor is it able to effect a transformation of management. For these firms, strategic sales are the best option, where full control of the PSU is auctioned off to the highest bidder. Some of these firms are in such bad condition with chronic losses and requiring regular infusions of capital that the highest bid may be negative – the government should be willing to pay someone to take the PSU. But as shown Indian Government after 1996 resorted to privatization of even profit making PSUs. The case study of Balco, in the next chapter assesses an overall impact and social consequences of privatisation, both positive and negative.

Of all the problems India is facing in its transforming from a mixed economy to a market economy, no one is more formidable than the reform of PSUs. This legacy of the old Nehruvian era became the main target of Indian reform policy makers in 1990s, shortly after the reform began. After a decade of experiments, while other socialist countries like China and Russia have technically privatized their PSUs, India is still struggling to find a way to reinvent and reengineer these economic establishments.

Public Sector Undertakings were set up as an integral part of our developmental plans and industrial policy. This policy framework envisaged that these PSUs would generate further surpluses and would yield some minimum rate of return on the investment made in them. However, over the years demand for disinvestments gained momentum. The pressure to privatize PSUs became stronger as government faced shortage of funds to spend on areas like infrastructure, primary education, rural health care. It was charged that inefficient PSUs were largely responsible for the macro economic crisis, India faced in 1980,s, a phenomenon that spilled over into a balance of payment crisis in 1990-91. The principal charges against the PSU are: low rate of return on investment, declining contribution to national savings, poor capacity utilization, overstaffing, lack of accountability and autonomy, secrecy, and bureaucratization leading to

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<sup>15</sup> Privatisation deals in India are often surrounded in controversy and often governments have backtracked. UPA Government has often put disinvestments of various PSUs on hold like BHEL, Neyveli Lignite etc. due to pressure from its own coalition partners.

excessive delays and wastage of scarce resources. According to a release by apex industrial body PHDCCI, building these enterprises have the cost the government more than Rs.2 lakh crore till date. The government loses Rs. 10,000 crore a year from 100-loss making PSUs.<sup>16</sup>

Disinvestment policy advocated by consecutive Indian governments is heavily rooted in economics and market based principles .It ignored other drivers of change rooted in normative values, and focused just on one approach to government reform i.e. privatization. BALCO was a test case of privatization. Strategic sale of Balco at first look might lead to the conclusion that now employees would be more accountable and new management will infuse efficiency which will lead to more productivity and profitability. But the real picture is very different. The improvement in profitability was not the result of ownership change but due to external factors.<sup>17</sup> Moreover there was a displacement of social objectives by political expediency, which did not lead to economic efficiency. It also leads to distributional inequities.

### **Privatisation: Is it the only Option?**

In the recent years, the privatization movement has intended the discussion to whether certain activities are most effectively performed within public or private organizations. The primary issue in these deliberations has been what existing Governmental services or activities should or should not be privatized – shifted from public organization to private ones (Savos, E, 1983). The position taken in this chapter is that the privatization movement represents only one position, in the debate over how public functions should be organized. Indian policy makers privatized PSUs without adequate considerations of the larger environment in which they operate. They ignored the functions performed by them, which is central in the evaluation of their performance.

Since the Disinvestment Commission was set up in August 1996 and generated several reports for disinvestment of public sector undertakings, the process of strategic disinvestments has moved rapidly. The UPA government is considering disinvestments in BHEL and Neyveli Lignite Corporation and Nalco amid controversy (July, 7, The Hindu). 'The business of government is to govern and not to engage in business' - this maxim is now an economic reality for both

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<sup>16</sup> Source:, PSU,s run up Rs. 10,000 crore losses in *Economic Times*,Monday10 July 2006.

<sup>17</sup> See: Vedanta Annual Report 2005.

the Centre and the states. The government is conscious that it has to proceed from making a success of selling profit-making PSUs to establish a track record of privatization. Privatisation has emerged as a major stimulus to improve industrial efficiency, facilitate inflow of foreign investments and ensure efficient allocation of resources. In effect, the government's role has changed from that of an owner-manager to its role of a regulator.

Reforms in India were interpreted within the framework of New Public Management, fostering the impression that efficiency and market-based reforms account for greater change and innovation. The focus on just New Public Management, distorted the policy makers view that refused to look at other approaches to public sector reform. A balance has to be maintained among competing drivers of change. Kaufman (1985:36-38) contends that changes in values, tastes, economic development, existing political, social, and economic institutions and knowledge and technology influence the pattern of reform. Broad shifts in values especially due to post modernism, has altered the direction of reforms. Wise (2002:556) contends that values that are germane to any reform process are: social equity, humanization and democratization and empowerment.<sup>18</sup>

The PSUs are vested with social, economic and commercial objectives. The combination of these objectives varies in priority among PSUs. Clarity of the objectives is the first pre-requisite for PSU reforms. Efficiency for PSUs, need a holistic measure capable of assessing the social, economic and commercial objectives. In this regard, it has to be kept in mind; various PSUs are in different levels of social and economic advancement institutional structures, administrative capabilities, geographical attributes etc. There is a need to bring harmony between economic reforms and aspirations of common people. This does not mean that process of reform should be derailed or stopped due to political pressure or expediency. But there is a need for healthy balance between reforms and objectives of welfare state. India's reforms clearly emphasize the importance of efficiency and effectiveness, reliance on explicit standards, greater competition and private sector styles of management. There are attempts to reduce corruption and to address accountability issues but are far from those desired. Judiciary remains a weak link in the process and is not performing desired role in the transition to market economy. It is still based on conservative ideology of the independence era and along with the executive fostering a market based economy.

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<sup>18</sup> For details see: Wise.L.R.(2004) 'Public Management Reform: Competing Drivers Of Change' *Public Administration Review*, Vol.62, No.5.pp555 - 567

## Conclusion

Reform of the PSU cannot be ignored, whatever be the mode of ownership or objective of PSU. The purpose of PSU reform is to advance sustainable social justice, and for social justice economic efficiency is must (Bardhan 2001:472). A very important aspect for PSU reform is the need for providing transparency, information revolution and accountability. These along with social equity, democratization, and harmonization will lead to the achievement of social objectives. The Tenth Five Year Plan, 2002-2007, lists out issues and strategies to make improvements in this area. The plan talks of Reform in following areas: people's participation, decentralization, right to information, civil service reform, judicial reform, use of IT, empowerment of the marginalized etc. The OECD<sup>19</sup> has approved new Guidelines on Governance of State-Owned Enterprises to give concrete advice to countries on how to manage more effectively their responsibilities as company owner's .The Guidelines aim to help make state-owned enterprises more competitive, efficient and transparent. The Guidelines call on governments to ensure a level-playing field for state-owned enterprises competing with the private sector by separating the state's ownership role from its regulatory role. It expects government to become more informed and active shareholders by simplifying the chain of accountability through centralizing or more effectively coordinating shareholding responsibilities within the state administration. It also seeks to reduce political interference in day-to-day management. It wants to empower boards by clarifying their mandates and respecting their independence. Lastly strengthening internal controls and carrying out independent, external audits based on international standards should improve transparency.

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<sup>19</sup> These guidelines are based on the OECD's Principles of Corporate Governance, created in 1999 and revised in 2004, that are the benchmark for national codes of governance for members as well as non-member countries

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# **Decentralisation Reform and People's Participation Empirical Observations from the Philippines**

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## **Introduction**

Decentralisation reform has been widely promoted in Western democracies, because it is assumed to enhance efficiencies of public services and people's participation. In particular, the participation aspect of decentralisation has been highlighted since the 1990s, as 'participatory democracy' became the agenda of political reform in these countries (Peters, 2001a, 2001b).

This trend has spread to policy discourses in other parts of the world. Whilst decentralisation has been enthusiastically advocated by international donors for the past several decades, the recent foci of their discourses are directed to the popular concept of 'good governance', which associates decentralisation reform with democracy and participation (Charlick, 2001; Cohen & Peterson, 1999). Nevertheless, taking into account that efficacies of local democracy, unlike the theoretical assumptions, have been questioned in Western counterparts, as will be shown later in this chapter, the linear relation between decentralisation, democracy, and people's participation in developing countries should also be re-examined based on the facts.

Given such considerations, some empirical observations from the Philippines will be introduced in this chapter, which raise issues about decentralisation reform and people's participation in developing countries.

The structure of this chapter is as follows: in the first part, theoretical discourses of decentralisation and peoples' participation will be reviewed, followed by consideration of a framework for analysing participation practices. Then, observations in six local governments in the Philippines are illustrated within the analytical framework. Finally, findings of the cases will be shown with concluding remarks.

Theoretical Discourses on Decentralisation Reform and People's Participation

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## **Theoretical Discourses**

As mentioned above, the arguments on decentralisation reform made in Western countries are reflected in practices of developing countries through aid programs by international donors. In particular, decentralisation reform has recently been promoted in association with enhancement of democracy and participation. Therefore, we start with reviewing theoretical discourses developed in Western donor countries here.

### *Discourses from the Political Left*

Although the relation between decentralisation and democracy has been recently underlined in arguments made by the political left, “the belief that local government should involve the public or ‘get closer to the community’ is hardly new” (Lowndes, Pratchett, & Stoker, 2001a, p. 205). It is the liberal tradition that supports decentralisation in that it makes a contribution to a nation’s democracy “by offering opportunities for ‘greater personal participation in the actual business of governing’ and by creating ‘a democratic climate of opinion’” (Smith, 1985, p. 20).

However, the liberal arguments on decentralisation may be challenged. Positive impacts on national democracy are questioned, considering the experiences of continental European democracies, where the states tend to see localities as just particular interests, and therefore, democratic nations are not necessarily in favour of local democracy (Smith, 1985). Failures of democracy at the local government level are also pointed out. For example, in the United Kingdom, the limited capacities of representative local government are shown in: i) low rate of voter turnout, ii) strain on many local councilors, iii) characteristics of local councilors which do not reflect the social composition, and iv) lack of a political culture of participation and public indifference (Burns, Hambleton, & Hoggett, 1994, p. 34).

Such critiques led to the recent liberal arguments that emphasise ‘participatory democracy’ in decentralised local government as a complement of ‘representative democracy’ (Buček & Smith, 2000; Burns et al., 1994; Stoker, 1996, 1997). ‘Representative democracy’ cannot ensure responsiveness of government because the choices people make at elections are “‘broad brush’ choices between representatives and their policy programmes or tendencies at a particular moment in time” (Stoker, 1996, p. 43). Therefore, systems of ‘participatory democracy’ which regularly consult the people are required.

Politically speaking, such claims for people's participation are mainly shown as an opposition to the marketisation approach to local governance taken by the New Right movement of the 1980s. Advocates of people's participation highlight collective interests of the community in contrast to the marketisation approach attempts to maximise individual profits of the citizens (Burns et al., 1994). So-called 'localists' also promote the participatory approach as a resistance of centralisation, which was promoted in right-wing administrations (Stoker, 1996). In the case of the United Kingdom, the newly established Labour regime launched the modernisation program in late 1990s, in which local governments were urged to involve communities in local governance by introducing participatory schemes.

### *Discourses from the Political Right*

The political right, however, would not deny the necessity of public participation in local governance. In their theoretical model, the citizens are allowed to choose favourable services provided by different local governments or governmental agencies that are competing with each other through the quasi-market system. This constructs the idea of 'market democracy', in which "[c]itizens can better express views on particular delivery issues, which cannot be precisely expressed during elections" (Buček & Smith, 2000, p. 10).

Indeed, the necessity of people's participation is hardly challenged in theoretical discourses, as Arnstein claimed (1969, p. 216): "The idea of citizen participation is a little like eating spinach: no one is against it in principle because it is good for you. Participation of the governed in their government is, in theory, the cornerstone of democracy - a revered idea that is vigorously applauded by virtually everyone".

### **Critical Arguments**

Despite the popular assumption, people's participation as a result of decentralisation is not clearly proved in practical terms.

### *Tokenism*

'Tokenistic' participation is one of the common criticisms made of people's participation schemes in local government. That is to say, civil participation does not actually provide any power to participants, because the scope of participation is often limited and the citizens are not allowed to be in the crucial stages of planning and decision-making of public policies (Smith, 1998). Buček and Smith (2000) argue that the situation is regrettable in that participation in local affairs has involved little more than consultation with public opinion, with results

that are likely to be ignored by local authority. Even worse, participation may impose responsibilities and burdens on the participants (Smith 1998).

Responding to such realities, authors critical of participatory schemes are suspicious about the initial intention of central and local government in introducing them. They find the main motive of officials who prefer participation is that the participatory mechanism can legitimise government decisions which have been already made (Smith, 1998; Stoker, 1997). In addition, as Lowndes et al. (2001a, p. 211) claim, “tangible benefits of collecting information for better decision making” also fulfill needs of the officials, whilst participation accompanying an actual shift of power is out of the question (Stoker, 1997).

### ***Public Engagement***

Problems exist on the participants’ side as well. Even if the government sets up participatory schemes, public engagement is not necessarily guaranteed, as the citizens are interested only in “what these structures do and what they provide for them” (Fenwick & Elcock, 2004, p. 535). In this regard, Game (2003) provides empirical research on the local referendum as a governance system in the United Kingdom to show that the citizens do not engage in a high level consultation process.

It should be noted, however, while such a situation is considered a limitation of participatory local government, it is still significant that a channel is opened for the citizens to be involved in governmental issues because “the movement is almost always from the particular to the general, from the individual or group to the collectivity” (Burns et al., 1994, p. 273).

### ***Representativeness***

Regardless of the extent to which the public is allowed to participate, it may be doubted whether the participants are representative of the whole community unless direct participation of the whole population is achieved. Perhaps the most common objection to the idea of ‘participatory democracy’ is that the participants are “often quite unrepresentative of those they purport to speak for and may also be dominated by sectional interests” (Burns et al., 1994, p. 223).

What makes the issue more complicated is the multiple nature of personal identity. In ‘participatory democracy’, participants of the schemes are supposed to represent a particular community they belong to. Nevertheless, “the idea that a community can be defined as a

commonality of all interests must be questioned”, since “people can be considered as a community for one purpose but not for other purposes” (Barnett & Growther, 1998, p. 429). Thus, although the local government often delegates consultative or decreative functions to ‘neighbourhood’ communities as a means of participation, in fact, “‘neighbourhood’ is just one of many sources of identity” for the citizens (Burns et al., 1994, p. 228).

Modernisation further confuses the representativeness of ‘participatory democracy’. Burns *et al.* (1994, p. 223) discuss that continuing ‘community participation’ may be hard in current society where “civil society becomes progressively less homogeneous”. The point is echoed by Stoker (1996) who questions the viability of geographically defined political space in societies, considering highly developed mass-communication and enhanced mobility.

### ***Efficiency***

Finally, the participation approach seems to disturb the efficiency of the government. Drawbacks of participation are identified in i) raising unrealistic expectations, ii) slowing down the decision-making process, iii) losing coherence and inter-relationships of decisions, and iv) imposing additional administrative burden to the government (Lowndes et al., 2001a).

### **Arguments in the Context of Developing Countries**

Practical constraints on people's participation are also argued specifically in the context of developing countries. Monopolies of local elites may be the most frequently referenced constraint in these countries (Charlick, 2001; Devas & Grant, 2003; Litvack, Ahmad, & Bird, 1998; Peters, 2001a; Turner & Hulme, 1997). Devolved authorities might be controlled by local elites, who are likely to be associated with central politicians, and in such a situation, both the central and local governments do not have incentives to transfer their power further down to the community level. Social culture could prohibit people from active involvement in local government matters as well. In this regard, Buček and Smith (2000, p. 13), who examined roles of the third sector organisations in local governments, state “a contribution to local democracy may be difficult to make when authoritarianism is deeply rooted and when political representation is a recent phenomenon”.

Therefore, it is pessimistically argued that most of the conditions that are required to achieve people's participation in local decision-

making tend to be missing in developing countries. For example, disciplines of local officials, local leadership, external pressures, matured local associations, accountability mechanisms, and availability of information are the identified conditions (Charlick, 2001; Crook, 2003; Devas & Grant, 2003; Peters, 2001a).

Having recognised these constraints, however, it is also true that some local governments have successfully achieved enhancement of people's participation while others have not. It is not surprising, even in a Western democracy, for example in the United Kingdom, that performance of participation practices vary across respective local governments (Leach & Wilson, 2002). Nevertheless, varieties of participation practices at the local government level have not been much introduced or analysed in developing countries, and therefore what differentiates the outcomes of these practices has not been sufficiently examined. Given this situation, the main aim of this chapter is to search for clues to re-examine the 'plausible' assumption of decentralisation reform and people's participation in development context based on empirical evidence. For this purpose, observations of six decentralised local governments in the Philippines are introduced.

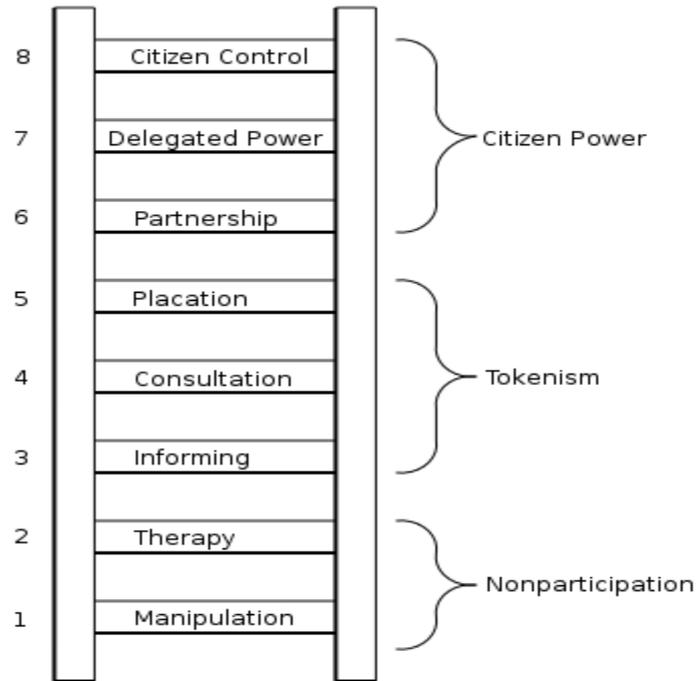
Before moving on to the case analysis, however, this chapter sets an analytical framework of people's participation, referring to those proposed by the preceding works. It is important to set such a framework in analysing cases so as to reach a clearer understanding of practices, especially considering the confusing arguments about the term 'participation'.

### **Analytical Frameworks of People's Participation**

Categorisation of participation by Arnstein in late 1960s may be the most influential (Arnstein, 1969). Arnstein defined 'participation' as a "categorical term", trying to overcome the existing 'black or white' descriptions of participation. In his model, as shown in

Figure 1, eight rungs of participation are based on the extent of delegation to the people. Illustrated in a ladder, the degree of citizens' control is enhanced with each advancing step. These eight rungs are also classified into three stages: Nonparticipation, Tokenism and Citizen Participation. According to Arnstein, schemes introduced by the government are too often either ritual (Nonparticipation) or at risk of being ritual (Tokenistic).

Figure 1: Degree of Participation



*Source: Arnstein (1969, p. 217)*

Whilst the work of Arnstein was constructed focusing on the HOW MUCH aspect of participation programs, other dimensions of participation should also be considered in its categorisation.<sup>2</sup> WHO participates in the schemes is one of such aspect. As Pratchett (1999) distinguished, there are differences between the schemes attracting individual participation and those encouraging collective activities. Some schemes may provide opportunities for socially disadvantaged or politically marginalised groups, while others attempt to achieve representative cross-section views. On top of that, there might be a risk that participating bodies are uneven and exclude the vulnerable, and thus the genuine aims of participation cannot be achieved.

The content of participation also matters. On some occasions, citizens are involved in developing policies or invited to make a particular policy decision. In others, they may join in implementing public services in partnership with, or on behalf of, the government. Haus and Sweeting (2006) distinguished these types of participation by labeling them 'deliberation, decision making, implementation', referring to the preceding argument of Barber. Such differences can be called the WHAT aspect of participation.

<sup>2</sup> Precisely speaking, Arnstein paid attention to WHO and WHAT aspects as well but did not explicitly include them in his model.

Based on these studies, this chapter proposes an original framework shown below in Figure 2, which considers all three aspects of participation: WHO, WHAT and HOW MUCH. In the framework, the vertical axis is set to show the HOW MUCH aspect of participation. To make the framework simple, four columns are set to categorise from minimum to maximum extent of delegation to the people, namely, *Information*, *Consultation*, *Partnership* and *Delegation*. In contrast with the one-way flow of *Information* dissemination, *Consultation* refers two-way communication between the government and the people. *Partnership* means a situation in which the people or their organisations are encouraged to work as an equal partner with local government. At the stage of *Delegation*, the people assert some authority in local governance.

The horizontal axis distinguishes three types of participation practices focusing on the content, or WHAT aspect of participation, in which the people are involved, that is to say, *Deliberation*, *Decision* and *Implementation*, following the categorisation by Haus and Sweeting (2006). Meanwhile, WHO participates in the practice is referred in a bracket within each cell.

Figure 2: Analytical Framework of Participation

<b>Contents</b> <b>Extent</b>	<i>Deliberation</i>	<i>Decision</i>	<i>Implementation</i>
<i>Delegation</i>			
<i>Partnership</i>		<b>Participants</b>	
<i>Consultation</i>			
<i>Information</i>			

Source: Author.

### **Decentralisation Reform in the Philippines**

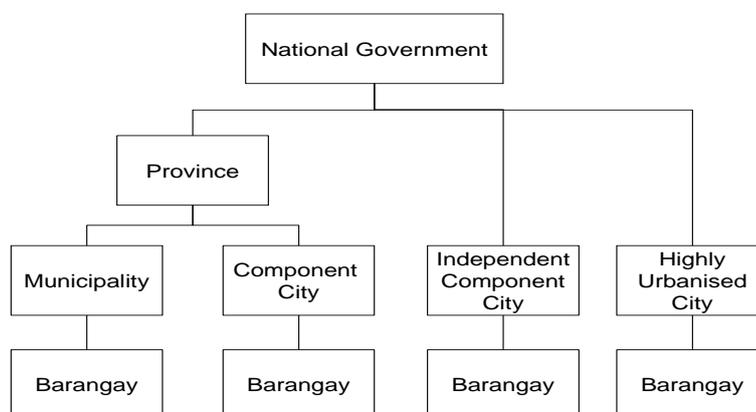
Before showing empirical observations, some background of decentralisation reform in the Philippines needs to be explained. Full-fledged decentralisation reform was launched in the Philippines in 1991, when the Local Government Code (LGC) was enacted. Although some attempts for decentralization had been made before that, LGC was the first registration that provided broad transfers of responsibilities for basic service delivery and of associated regulatory powers to local governments.

The LGC was implemented under the administration of Cory Aquino (president 1986-1992), who emerged from the so-called

'EDSA Revolution', or the 'Peoples' Power Movement', after the downfall of the autocratic regime of Ferdinand Marcos (president 1966-1986). Since decentralisation was on Aquino's political agenda from the start, the Constitution established in 1987 included provisions for local autonomy. In the course of formulating the LGC, it is said that international donors, such as USAID, played an influential role (Akizuki, 2001).

The local administrative structure in the country has three tiers of local government: Barangay, Municipality or City, and Province, as shown in Figure 3. In the LGC, minimum requirements based on population, income and land area are set for each unit. Barangay is the basic political unit and directly provides basic public services to the people. Municipalities and Cities are composed of several Barangays. A Component City becomes a Highly Urbanised City if it exceeds the required population and income and is excluded from the administrative supervision of the Province, but the powers it maintains are basically same as those of a Component City (Cabo, 1998, p. 154). Some Cities are also independent of the Province in accordance with their charters, and are called Independent Component Cities, or Chartered Cities. Provinces are the highest local units under the National Government, except in Metro Manila and the Autonomous Region of Muslim Mindanao, which fall under a special higher level. At the end of June 2009, the Philippines had 80 Provinces, 120 Cities, 1,511 Municipalities and 42,008 Barangays (NSBC, 2009).

Figure 3: Administrative Structures in the Philippines

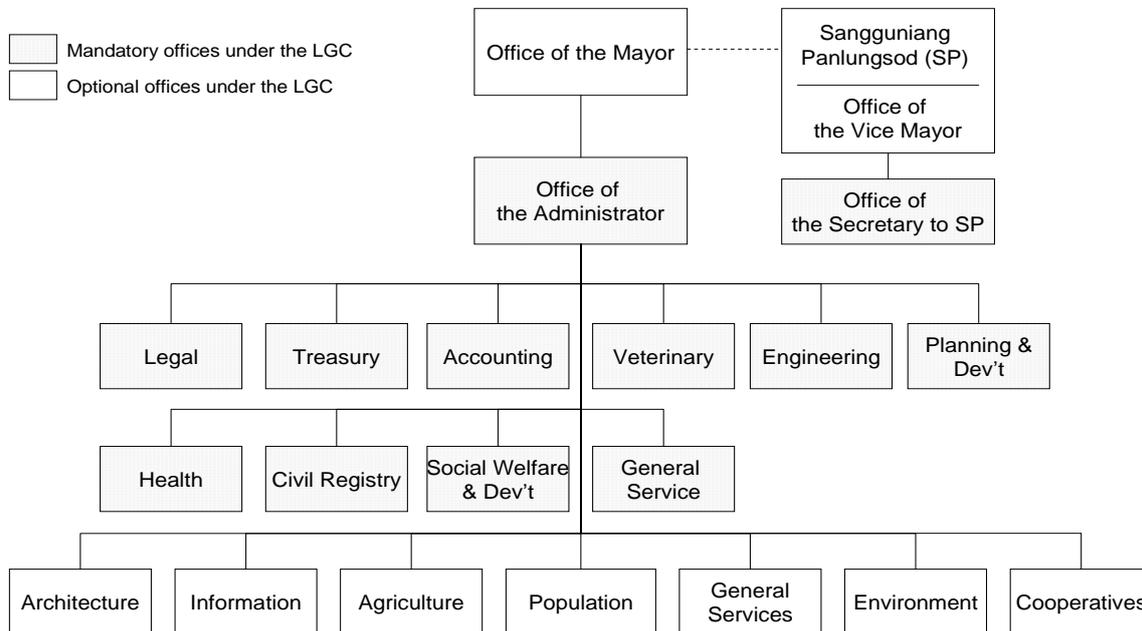


*Source: Author, in reference to LGC.*

Local elected officials at the Provincial and Municipality/City levels include Governor (Province) or Mayor (Municipality/City), Vice Governor or Vice Mayor and regular council members of the respective local councils. While Governor or Mayor is the chief executive of local administration, Vice Governor or Vice Mayor leads the local council.

The local council is called Sangguniang Panlalawigan (SP) in Provinces, Sangguniang Panlungsod (SP) in Cities and Sangguniang Bayan in Municipalities. Every Barangay has a Barangay Captain and members of the Barangay council. All of the elected officials are elected directly by the citizens and their term of service is three years, and the maximum tenure is restricted to three terms.

Figure 4: Basic Organisational Structures of City/Municipal Hall



*Source: Author, with reference to Tapales et al. (1998).*

As a result of LGC, many of public services which had been provided through the centralised system devolved to local government. These services comprise health, social welfare, environment, agriculture, public works, education, tourism, telecommunication services, housing projects and investment support (Brillantes, 1998). The devolutions were accompanied with transfers of relevant personnel and assets from the national line ministries to local departments.

In terms of peoples' participation, one of the specific features of the LGC is that it allows and encourages people's direct involvement in local governance. More precisely, provisions of the LGC institutionalized participation of Non Governmental Organisations (NGOs), People's Organisations (POs) and the private sector in various aspects of decision-making made in the LGUs through consultations and local special bodies, including the Local Development Council (LDC).<sup>3</sup>

<sup>3</sup> Other local special bodies are: Local Pre-Qualifications, Bids and Awards Committee (PBAC), Local Health Board (LHB), Local School Board (LSB), Local Peace and Order Council (POC) and People's Law Enforcement Board (PLEB).

LDC is established in each level of LGU for the purposes of (i) assisting respective local councils in preparing development plans, and (ii) coordinating development efforts made within the jurisdiction (Republic of the Philippines, 1991).<sup>4</sup> It is composed of councilors, representatives of lower-level LGUs and NGOs, which should account for at least 25% of all members in accordance with the LGC requirements. Since all of the development projects are approved by the LDC, it can be said that the civil society has obtained rights to influence the local planning process through this provision.

It is, however, pointed out that not all LGUs necessarily comply with the provisions of the LGC. Many LGUs do not hold LDC as required, or even if they do, membership of NGOs is either limited or just a ritual (JICA, 2006).

### Empirical Case Analysis

The cases to be introduced in this chapter are from six Cities or Municipalities. Municipality and City level LGUs, including those independent from the Province, are chosen with consideration of their functional responsibilities, as well as technical feasibilities of the research. As already mentioned, Barangay is the base unit of the local system in the Philippines, and it may be the first local government that people access. However, the size of a Barangay is small and its responsibilities are also limited. Located in remote areas, some Barangays might be difficult to access. On the other hand, Provincial government is too large to be a comparative case, and its functions contain much coordination among lower level LGUs, although it is feasible enough in terms of its accessibility. Therefore, this study will target the Municipality and City governments.

Figure 5 illustrates characteristics of case LGUs. Each set of cases were elected randomly from the same geographical area so as to make comparative analysis effective.

Figure 5: Case Local Government Units

LGUs	Type	Urban/Rural	Area
A	Highly Urbanised City	Urban	Metro Manila
B	Highly Urbanised City	Urban	Metro Manila
C	Independent Component City	Urban/Rural	Bichol
D	Component City	Urban/Rural	Bichol
E	Municipality	Rural	Central Visayas
F	Municipality	Rural/Urban	Central Visayas

*Source: Author.*

<sup>4</sup> LGC, Book I, Title Six.

Interview research was conducted in each LGU, in addition to information collection from documentation. Department heads of the following departments were interviewed in all six LGUs: Office of Administrator, Planning & Development, Civil Registry, Health and Social Welfare & Development. Establishment of these offices are mandated in the LGC as shown in Figure 4.

The Office of Administrator is the key department overseeing the city or municipal government. Often doubling as Office of the Mayor, it takes care of the special programs which are directly managed by the Mayor. The Planning & Development department deals with developmental projects, such as road, public market and transportation. It is also the host department of the annual LDC meetings, and is in charge of compiling plans of all departments into a unified plan of the City or Municipality. The Civil Registry department provides front-line services of registration, including birth and death notifications, as well as business permissions. Since data collected through registration are used for national statistics, this department reports directly to the National Statistics Office. Health and Social welfare are the two social service sectors which were drastically devolved after 1991.<sup>5</sup> The Health department at the City/Municipality level is responsible for primary health care, whilst secondary and tertiary health care is taken care of at the Provincial or National level. The Social Welfare & Development Office of City/Municipality conducts both mandatory service programs directed by the central line ministry and additional programs of its own to address particular problems in the LGU.

On the basis of the information collected through interviews, the chart of analytical framework was filled out as shown in Figure 6. Legally required participatory institutions, namely LDC and other Local special bodies, which have authority to make a decision or are regularly consulted on specific issues, will be mentioned below but are omitted in the figure. In addition, since the interviews in this study were conducted only in mandated departments, there may be participation practices in a specific social sector, such as agriculture, other than those shown in the figure.

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<sup>5</sup> Education was not devolved in the LGC. According to the interviews, however, due to budget constraints in the sector, teachers' salaries and/or studentships may be voluntarily funded by LGUs.

Figure 6: Participation Practices in Case LGUs

## LGU A

<b>Contents Extents</b>	<b>Deliberation</b>	<b>Decision</b>	<b>Implementation</b>
Delegation			
Partnership			Local NGOs - Social welfare PJs etc.
Consultation	All citizens - 'People's Day', suggestion box, e-mail to the Mayor		
Information	All citizens - Website 'e-gov', local radio, leaflet, etc.		

## LGU B

<b>Contents Extents</b>	<b>Deliberation</b>	<b>Decision</b>	<b>Implementation</b>
Delegation			
Partnership			Local NGOs - Social welfare, Health PJs
Consultation	All citizens - Regular barangay visits		
Information	All citizens - Local radio, etc.		

## LGU C

<b>Contents Extents</b>	<b>Deliberation</b>	<b>Decision</b>	<b>Implementation</b>
Delegation		People's Council	
Partnership	People's Council		Local NGOs - Social welfare PJs etc.
Consultation	All citizens - Website 'i-gov'		
Information	All citizens - Website 'i-gov', internet radio, service guidebook with performance pledge, periodical magazine, etc.		

## LGU D

<b>Contents Extents</b>	<b>Deliberation</b>	<b>Decision</b>	<b>Implementation</b>
Delegation			
Partnership	Local NGOs - Social Welfare, Health		Local NGOs - Social welfare PJs etc.
Consultation	Sector basis public consultation		
Information	All citizens - Annual presentation at a central park, etc.		

## LGU E

<b>Contents Extents</b>	<b>Deliberation</b>	<b>Decision</b>	<b>Implementation</b>
Delegation			
Partnership			
Consultation	All citizens - Open access to the Mayor's office/ Project recipient (occasional)		
Information		All citizens - Occasional news adverts	

## LGU F

<b>Contents</b> <b>Extents</b>	<b>Deliberation</b>	<b>Decision</b>	<b>Implementation</b>
Delegation			
Partnership			
Consultation			
Information		All citizens - Occasional campaigning	

*Source: Author.*

*Information* dissemination, the lowest level of participation in this framework, is employed in all six LGUs, targeting all citizens in their territories. As a modern approach, LGU A and LGU C conduct special projects on e-Government, trying to publicise information on various government policies and activities through their websites. In particular, LGU C uploads the whole documents of governmental expenses, as well as its budgets, which is an innovation in the country. Although the approach is certainly effective, it should be questioned whether the people have enough access to the internet, and whether it is applicable in rural areas when it is applied to other LGUs.

In this regard, LGU D introduces a unique method to make the citizens aware of governmental policies: it holds an annual presentation event at the central park, displaying huge panels on which government policies, legislations and activities of the previous year and the coming year are illustrated.

Utilizing traditional media, such as leaflets and periodical magazines, is another way to reach a wider range of people. Local radio stations are also set up in LGU A, B and C, to provide information to wide constituencies.

Meanwhile, in the two Municipal governments, LGU E and F, information is disseminated occasionally in a relatively traditional manner, and limited to already determined decisions and ongoing implementation of public work.

*Consultation* with the citizens is also attempted in most LGUs. Open access to government hall is one way to let the citizens make comments on policy issues directly to the Mayor or departments in charge, as is practiced in LGU A and E. In the case of LGU B, whose area is relatively small in Metro Manila, the Mayor and other management officials regularly visit each Barangay for a consultation session, so that the people can raise issues in their communities without going down to the city hall. The LGUs promoting e-Government (LGU A and C) let the people contact the Mayor or

respective departments by e-mail or text. In LGU D, public consultation is held on a sector basis to be utilised in development planning. Although legally required special bodies are also the arena in which consultation takes place, the extent to which NGOs participate actively in the board may differ in each case.

Practices for *partnership* with the citizens vary across the case LGUs. In Metro Manila, LGU A and B create networks with local NGOs mainly in the social sector so that they can refer their clients to external organisations as well as coordinate with each other to prevent duplication of projects. Whilst approaches of LGU A and B are limited to policy implementation, two provincial cities, LGU C and D, involve local NGOs in the stage of policy-making.

In LGU C, what is called a People's Council, composed of various civic organisations, has been institutionalised and functions as an LDC. Along with semi-annual formal meetings of the council, the city hall always has dialogs with member organisations in preparing planning or budget proposals. In the same manner, respective offices in LGU D have constant discussions with their local counterparts to obtain input to their development plans. In both cases, local NGOs work in policy implementation as a partner of the cities. In particular, parts of the social welfare programs of LGU D are conducted by counterpart organisations that are involved in the planning process, to fill the gap between social demands and capacities of the city hall.

On the other hand, Municipal LGUs, LGU E and F have not built partnership relations with local civic organisations, though they have on occasion cooperated with international donor NGOs in implementation.

*Delegation* to the people is practiced only in LGU C through the People's Council. Functioning as LDC, the People's Council is provided the authority to approve development plans and the annual budget proposed by the city hall before they are submitted to SP, the city council. In other case LGUs, LDC is implemented mostly as required in LGC, but there are striking differences between LDC and the People's Council. The People's Council is composed of a much greater number of civil organizations and they have a stronger voice to refuse unfavourable policies. A good example is the occasion when the Council denied a development plan of a golf course, and thus, the city had to give up the construction plan.

It should be noted that the specific background of LGU C may have an effect on the success of the People's Council. Since the area of LGU

C is traditionally a regional trade centre, active civil organizations and their associations had already existed before the People's Council. This factor worked as a precondition of a progressive people's participation in local governance. Actually, LGU D tried to imitate the People's Council, but it has not been working as expected. Instead, the city has succeeded in activating the existing LDC by letting NGOs be involved in it from the planning stage.

### **Findings and Concluding Remarks**

The analytical framework has enabled us to illustrate different features of participation practices conducted in the case LGUs. Major findings can be summarised as follows:

- In terms of the extent of participation, information dissemination and consultation is attempted widely across case LGUs, though practices of partnership and delegation are still limited.
- In context, a higher level of people's involvement tends to be attempted in implementation, especially for the purpose of social sector projects. In such cases, the actor in participation is local NGOs working on the social issues.
- Provincial city governments (LGU C and D) are more active in involving local NGOs than highly urbanized governments (LGU A and B), which tend to consider people's participation schemes as a source of information exchange with the citizens.
- Participation practices taken in Municipalities (LGU E and F) are on a moderate and occasional basis rather than systematized on a regular basis.
- Although LDC and other special bodies are required to involve a certain ratio of civil organisations, the extent of participation differs across LGUs. While some LGUs welcome participation and commitment of various civic organisations, others may pay these systems just ritual attention.

As has been shown above, different types of LGUs have different tendencies in their participation practices. Such differences may be explained by the following facts:

- In highly urbanised areas like LGU A and B, civil organisations are less represented than those in provincial counterparts because of the diversity of their inhabitants. In such a situation, it may be feasible as well as efficient to attract a wider variety of individual citizens to participation schemes.

- For provincial city governments like LGU C and D, the assistance of people's organisations is crucial to provide necessary services to the public owing to their limited resources and capacities. Therefore, it is important for them to involve people's organisations from the policy-making stage.
- In rural Municipalities like LGU E and F, people's participation is moderate partly because municipal government tends to be authoritarian in the traditional manner of local government. Equally important is that people's attitudes towards participation are not positive and civil organisations have not been nurtured to be partners.

The impact of decentralisation on people's participation varies across local governments, because incentives both of local government and the citizens for participation differ depending on backgrounds, social construction and capacities of the local government and the society.

The drawbacks in the cases observed here, indeed, reflect the criticisms of decentralisation and participation, such as tokenism, citizens' attitudes, lack of representativeness and limited capacities of local government. Having admitting these facts, however, the case observations in the Philippines illustrate that there are attempts of LGUs to involve their constituencies in local governance in a feasible and efficient manner. For example, observations from this study show that provincial city governments try to cooperate with local NGOs to fulfill their gaps in social service delivery, while highly urbanized city governments make efforts to enlarge public access to local governance rather than involve diversified civil organisations to a greater extent.

One implication obtained from these observations is that off-the-shelf introduction of participation practices, as is often undertaken in development aid projects, cannot be adapted to different types of local government in the country. By the same token, legally required participatory mechanisms might become tokenistic in some local governments, though institutionalisation of such mechanisms can make, at least, the first step toward further participation.

The analysis made in this chapter could be made only from empirical studies in development contexts. The next task is to examine different cases to seek adequate participation schemes for each type of local government in developing countries.

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# Analyzing Parliamentary Election of 2008 in Bangladesh and its Aftermath

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## Abstract

*This paper analyzes contemporary political events in Bangladesh that took place in the period before and after the parliamentary election of 2008. The eventful years from 2006 to 2009 is categorized in three periods: The first period from the end of the Bangladesh Nationalist Party's reign, i.e. from 2006 to the taking over of the army backed caretaker government in 2007 marked complete political chaos. The second period which commenced from January 2007 to December 2008 witnessed emergency rule imposed by a caretaker government with strong backing from the armed forces. The third period was the parliamentary election which brought Awami League to power with a landslide victory. However, the newly elected government faces an uphill task to quell a number of challenges. The future of democracy and good governance in Bangladesh depends on coping with these issues as well as other governance related problems.*

## Introduction

The return to democracy in Bangladesh in 2008 has been eventful but not without pains. Prior to this transition, the country witnessed serious clashes between major political parties, the return of army to power and putting senior and numerous political stalwarts including the two former prime ministers behind bars during the reign of the care taker government on charges of corruption. However, the transition to democracy through a parliamentary election was peaceful. Turnout in the election was a record with over three-fourths of eligible voters participated .It brought back Awami League headed by former prime minister Sheikh Hasina Wajed to power. In spite of claims by

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international and local observers about the impartiality and fairness of the poll, the major opposition party Bangladesh Nationalist Party which ruled the country from 2001 to 2006 alleged it to be rigged (Curtis and Nicholas, 2009).

This paper discusses contemporary events in the political scene of Bangladesh that took place in the period from 2006 to the present. In this short period, few but significant events occurred; an analysis of these may shed light on the political and future democratic development process of the country. This period may be divided into three crucial stages: i) the period prior to the taking over of the army backed care taker government on 11<sup>th</sup> January 2007 popularly termed 1/11. The period witnessed violent political clashes between the two major political parties and their allies just before the parliamentary election and brought the country, especially the capital city Dhaka to a standstill, b) the period of the care taker government from January 2007 to December 2008, and c) the 9<sup>th</sup> parliamentary election held at the end of 2008 and its aftermath. In this regard, it explores factors that helped the Awami League (AL) party to win the Parliamentary election of 2008 which was held on the 29<sup>th</sup> of December. Attempt is also made to identify major challenges that the AL government is confronting with after they took over state power on 6<sup>th</sup> of January, 2009.

The paper is mainly based on analyzing news and print media coverage and footage of these incidents. This period is significant for the restoration of democracy for the 2<sup>nd</sup> time in Bangladesh, the first being in 1991 when a mass uprising overthrew the military rule of General Ershad and established democracy through parliamentary election. Free and fair election which is one of the important features of good governance and democracy was not quite frequent in Bangladesh since the country remained under the military rule from 1975 to 1990. Generally, military rulers are more prone to utilize government machinery to manipulate election results to their own favor. The same was said to be true in the case of Bangladesh. However, the situation changed since 1991 and until 2008 the country has had four parliamentary elections under the auspices of the Non-Partisan Care Taker Government. The elections held under this institution have been termed fair, free, and neutral by both national and international observers in spite of some allegations by the losing party of subtle rigging and election engineering. No big fuss was, however, made by them after initial complaints and the winning party and their allies continued and fulfilled their term in power.

### **The Care Taker Government**

The Caretaker government (CG) is a unique feature of Bangladesh's democracy which came into existence through the enactment of 13<sup>th</sup> Amendment to the Constitution of Bangladesh in March 1996. Constitutional provision suggests that the non-partisan Caretaker Government will be formed within 15 days of the dissolution of the Parliament. "Non-Party Care-taker Government shall consist of the Chief Adviser at its head and not more than ten other Advisors, all of whom shall be appointed by the President. The President shall appoint Chief Adviser from among the retired chief justices who retired in the last" (Constitution of Bangladesh, 2001, Article 58 (C)). If this was not possible the Constitution suggests "the Chief Justices of Bangladesh retired next before the last retired Chief Justice, or the retired Judges of the Appellate Division who retired last or the retired Judges of the Appellate Division retired next before the last such retired Judge" could be appointed as head of the Caretaker Government (Ibid.,). If these options are not available or not feasible, the President "shall, after consultation, as far as practicable, with the major political parties, appoint the Chief Adviser from among citizens of Bangladesh" (Ibid.,). As regards to the appointment of ten other advisers, constitutional provision suggests that based on the advice of Chief Adviser, "the President shall appoint Advisers from among the persons who are- (a) qualified for election as members of parliament; (b) not members of any political party or of any organization associated with or affiliated to any political party; (c) not, and have agreed in writing not to be, candidates for the ensuing election of members of parliament; and (d) not over seventy-two years of age" (Constitution of Bangladesh, 2001, Article 58 (C) (7)).

With regard to the functioning of the Non-Party Care-taker Government, constitutional provision suggests that "it shall discharge its functions as an interim government and shall carry on the routine functions of such government with the aid and assistance of persons in the services of the Republic; and, except in the case of necessity for the discharge of such functions it shall not make any policy decision, and (ii) it shall give the Election Commission all possible aid and assistance that may be required for holding the general election of members of parliament peacefully, fairly and impartially" (Constitution of Bangladesh, 2001, Article 58 (D)).

### **Prelude to the 2006-07 Election and Political Confrontations**

On the eve of the completion of Bangladesh Nationalist Party's government (2001-2006) in office for five years, a general election was

scheduled to take place during the latter part of 2006 under the caretaker government. However, it was heavily criticized by opposition that the then ruling coalition headed by the BNP misappropriated all avenues of power to manipulate election results. The opposition alleged that the government played a dirty game in the selection of the chief executive of the caretaker government. Moreover, the constitutional provision suggests that the immediate past chief justice of the Bangladesh Supreme Court would head the non-partisan caretaker government as chief executive. Unfortunately, the BNP-led government did all tricks by increasing the retirement age of Supreme Court judges to 67 from 65 years. Opposition political parties were claiming that this was carried out with the intention to ensure that the last retired Chief Justice K. M. Hasan who was an active member of BNP during his youth would be able to head the caretaker government. This was not the only allegation against BNP by opposition political parties. They also alleged that the then government had manipulated administration at all levels, especially at the field administration level. A number of Upazila election officers<sup>1</sup> were recruited from among BNP party cadres as well as a number of police officers, Upazila Nirbahi Officer (Chief Executive officer of a sub district)) and even deputy commissioners (chief executive officer of a district) were reshuffled (transferred or posted) to influence election results. Protesting against such manipulations, all major opposition parties confronted the BNP-led allies during the last week of October, 2007 when the government stepped down after completing its tenure of five years.

The opposition led by the AL vehemently protested such maneuvers of the sitting government and rejected the care taker government which it was alleged to be BNP sympathizers and any election under such government would bring back the BNP to power, and the election would be nothing but an eye wash because all equations of winning it had already been chalked out<sup>2</sup>. As a result of allegations and counter allegations, the show down of the major two parties, the BNP and the AL - took to the streets of Dhaka. The violent clashes left almost 30 people killed and many injured and slid the country severely into uncertainty and unrest.

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<sup>1</sup> Upazila denotes sub-district which houses a number of field level public officials

<sup>2</sup> The then Chairman of the Board of Investment, Mahmudur Rahman a staunch BNP supporter had a clandestine meeting where BNP sympathizers in the civil service were invited. It is speculated that such meeting was designed to influence the forthcoming election. However, the meeting was abandoned as the venue of the meeting was leaked out to the press and the meeting participants were then chased by reporters of both the print and news media.

Under such circumstances, the immediate past Chief Justice declined to take oath as the Chief Adviser of the caretaker government. In order to resolve the continuing unrest, the President of Bangladesh who is elected from BNP, without exploring all other options in the Constitution declared himself as the Chief Adviser on top of his responsibility as the President.<sup>3</sup> However, his subsequent activities as Chief Adviser became totally controversial. In protest to his activities, four advisers from his government stepped down after only two months in office.<sup>4</sup> As such, all opposition parties except the BNP-led coalition boycotted the general election scheduled on 22 January, 2007 in which the turnout was only around 25%.. Later on, the country was divided into two groups, with one group vying in favor of holding the election and the other resisting it. In this tussle, the military then forced the head (the President) of the caretaker government to resign, form a new caretaker government, and declare emergency to bring back the country under normalcy.

### **1/11 and The Army Backed Care-Taker government**

The army backed caretaker government took helm of the country on January 11, 2007 on the ground of saving the country from political disaster,<sup>5</sup> and the day after Dr. Fakruddin Ahmed became the Chief Adviser of the government and continued until the parliamentary election in December 2008. Given the nature of its ascendancy to power, a question mark on the constitutional validity of this care-taker government may be raised since Constitutional provision suggested that “a caretaker government should have been constituted within 15 days of the dissolution of the *Jatiya Sangsad* (the Parliament) and should be in a position to hand over powers to a duly constituted popular government within 90 days after the dissolution of the previous parliament” (Constitution of Bangladesh, 2001, Article 58 (D)). Since the government remained in power for two years which was well ahead of the stipulated time limit that qualifies itself to be a

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<sup>3</sup> President Dr. Iajuddin Ahmed was sworn in as the Chief Adviser of the Non-Party Care-taker Government on October 29, 2006 and resigned from his position as Chief Adviser of the Caretaker Government on January 11, 2007 admitting the failure of the Election Commission and his government in creating a proper atmosphere for the election. The date of Iajuddin's resignation is popularly known as 1/11 in Bangladesh.

<sup>4</sup> Four advisers including Advocate Sultana Kamal, Dr. Akbar Ali Khan, Hasan Mashud Chowdhury, and C. M. Shafi Sami resigned from their office on December 11, 2006.

<sup>5</sup> During street confrontation between the AL and BNP and their allies, it came in the newspaper that the Secretary General of the United Nations Ban Ki Moon in a speech warned that if such situation continues, the UN may curtail Bangladesh's participation in UN peace keeping force which is very attractive and popular among armed forces personnel.

care-taker government, in general sense, it is quite difficult to call this government a care-taker government. Even though the government has received the recognition of a care-taker government since its major stated objective was to conduct a free, fair and credible election and transfer power to the elected government.

As regards to the activities of the care taker government, its major success lies in the holding of a free, fair and credible election in Bangladesh which has been widely appreciated by home and international election observers. Apart from holding a free, fair and credible election, the government showed their commitment to save the country from indulging into further chaos and violence. Another achievement of the government was that the law and order situation improved substantially in the last two years as there were no major incidents of *hartal* (protest), strikes and political violence. Of course, one may identify the state of emergency as one of the prime reasons for the stable law and order situation which in addition to the government's commitment helped it to keep the law and order situation under control. Most importantly, the majority of the population expressed their sigh of relief and welcomed the government since they wanted to come out from the ongoing confrontational politics.

Among other notable initiatives of the care-taker government included establishment and reorganization of the Anti- Corruption Commission (ACC) with non-political officials which have drawn widespread public support. The government through ACC prosecuted high and mighty political leaders including two ex-prime ministers<sup>6</sup>, bureaucrats and businessmen. Such initiative of the government was highly appreciated by general public which has established the fact that nobody is beyond law. The government also reconstituted the Election Commission and Public Service Commission, which was vehemently criticized for its partisan nature during the reign of the politically elected government. Under the political elected government, these organizations lost public's confidence as these were considered to be working in favor of the party in power. Moreover, for the first time in Bangladesh electronic voter identity cards were issued to foil any rigging in election. These voter id cards are now widely used by the authorities and other concerns for the issuance of passport, opening of bank account numbers, purchasing of mobile SIM cards, and so on.

The government reconstituted the Election Commission with relatively clean image officials that had added credibility and image to

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<sup>6</sup> Begum Khaleda Zia and Sheikh Hasina.

the performance of the government. Apart from reconstitution of the EC, the government through proclamation of ordinance separated Election Commission Secretariat from the Prime Minister's office. The government also implemented the verdict of High Court concerning separation of judiciary from the executive. The ordinance concerning separation of judiciary got the approval of the Parliament and has turned into a law on 7<sup>th</sup> of April, 2009 (The Prothom Alo, 07/04/2009). Separation of judiciary was a long standing desire of the general public since every political government used to manipulate judiciary through executive powers.

Some other initiatives that were well received by the people were to come down heavily on the extremist groups (Islamic militants) and their leaders. As a consequence of such initiatives death sentence of the militant leader of Jamaatul Mujahideen Bangladesh (JMB), Bangla Bhai along with other five leaders were executed in March 2007. In addition, plans were also taken to streamline the power sector, improving the power generation and distribution of relief to the ordinary people.

Despite such positive development the government faced some criticisms, specially, dealing with political parties, daunting economic situation and the overwhelming influence of the armed forces. As regards the influences of the armed forces, it was not desirable that army personnel took part in civilian affairs and influenced major decisions in the last two years. Even though they are appreciated for bringing back the country into normalcy and thwarted an apparent "civil war"; moreover, they did not stick to state power as was the case in other military takeovers in the late 1970s and 1980s. However, one major failure of the last care-taker government which affected ordinary people badly was the price hike of daily commodities. Despite several efforts of the government to curb prices, the prices of essential commodities soared as these kitchen markets are usually controlled by powerful syndicates with strong links to major political parties. This is an informal market where huge sums of money change hands daily and is beyond the control of the formal taxation system of the country. Since political activities were curtailed and a number of political stalwarts were behind bars, the syndicate members either went into hiding or stopped operating. As a result, prices soared upward because of the non operation of this informal and sometimes illegal network and the non-political nature of the care taker government which had little control over this market.

In analyzing the nature of activities carried out by the military backed care taker government, one may conclude that this government may have wanted to establish a stable system of government devoid of confrontational politics, free from corrupt politicians and free from manipulated elections and so on. It is quite early to predict to what extent they were successful in ensuring a sound system of governance, but it can be said that they were successful in ensuring a free, fair and credible election in the country. Another positive achievement is the disqualification of a number of politicians by the Election Commission from taking part in the election of 2008 on the grounds of their involvement in corruption.

### **The 9<sup>th</sup> Parliamentary Election of 2008 and Strategic Election Alliances**

The 9<sup>th</sup> Parliamentary Election, held on 29<sup>th</sup> of January, 2009 has established the fact that it is still possible to ensuring free, fair and credible elections in Bangladesh if the regime in power wishes to do so. As a matter of fact, the 9<sup>th</sup> Parliamentary election has brought a qualitative change in the context of national elections in Bangladesh. In comparison to other parliamentary elections, the 9<sup>th</sup> election was violence free. Only a few minor cases of clashes were reported in pre- and during polls which caused injuries to about a dozen of people while the scenario was quite appalling in elections earlier. Available statistics show that 38 people were killed and 1671 were injured in pre-poll political violence in the parliamentary election in 2001 while 6 people were killed and 161 were injured in pre-poll campaigns in the parliamentary election in 1996 (Retrieved from [http://news.xinhuanet.com/english/2008-12/29/content\\_10576942.htm](http://news.xinhuanet.com/english/2008-12/29/content_10576942.htm) on 08/04/2009, on 10/10/2009). One may wonder how it was possible given the confrontational political environment of Bangladesh where all political parties try to manipulate election results in order to capture the state power. One of the possible explanations might be that since the country remained under the state of emergency for about two years and the presence of local and foreign election observers and commitment from political parties against terrorism helped to curb pre-polls violence. Moreover, the Election Commission through electoral codes of conducts imposed restriction on movements of vehicles in the constituencies and banned campaigns a day before the election and 48 hours after the election. Overall, the Election Commission was successful to ensure a good atmosphere for the election. A great amount of enthusiasm was seen among the voters which were reflected in voter turnout which was around 87%, the highest ever turnout in the

context of all parliamentary elections in Bangladesh (Retrieved from <http://www.ecs.gov.bd>, on 09/08/2009, The Prothom Alo, 01/01/09). While commenting on the 2008 election, Alexander Graf Lambsdorff, Chief Observer and Member of the European Parliament, in their final report on election observation stated that:

“this election showed both the strong will of the people of Bangladesh to determine their future and the commitment of the Bangladeshi authorities, especially the then Caretaker Government and the Bangladesh Election Commission, to conduct and manage these elections in a professional, transparent and credible way” (Release of European Union Election Observation Mission Bangladesh 2008, Retrieved from <http://www.eudelbangladesh.org/en/whatsnew/EU%20EOM%20Final%20Press%20release.pdf>, on 12/04/2009).

The following table shows the ratio of voter’s participation in all Parliamentary Elections in Bangladesh.

Table-1 Participation of Voters in All Parliamentary Elections in Bangladesh (From 1973-2008)

Parliament Elections	Year	Voter Turnout Percentage
1 <sup>st</sup> Parliament Election	1973	55.61
2 <sup>nd</sup> Parliament Election	1979	51.29
3 <sup>rd</sup> Parliament Election	1986	66.31
4 <sup>th</sup> Parliament Election	1988	51.81
5 <sup>th</sup> Parliament Election	1991	55.45
6 <sup>th</sup> Parliament Election	1996 <sup>7</sup>	26.54
7 <sup>th</sup> Parliament Election	1996	74.96
8 <sup>th</sup> Parliament Election	2001	75.59
9 <sup>th</sup> Parliament Election	2008	87.16

**Source:** Bangladesh Election Commission ([www.ecs.gov.bd](http://www.ecs.gov.bd)), The Prothom Alo, 01/01/2009

The 9<sup>th</sup> parliamentary election was contested mainly by two alliances, namely the AL led grand alliances<sup>8</sup> and BNP led four party alliances<sup>9</sup>.

<sup>7</sup> On 15<sup>th</sup> February 1996, an election was held in Bangladesh which was boycotted by all opposition political parties. Only contestant was the Bangladesh Nationalist Party (BNP). 6<sup>th</sup> Parliament was lasted for only 15 days. In response to massive mass upsurge, the government were compelled to resign from power after enacted 13<sup>th</sup> Amendment to Constitution which provided for election under “Non-Partisan Caretaker Government”

<sup>8</sup> The Bangladesh Awami League (AL) participated in the 2008 parliamentary election under the name of "Grand Alliance" with the Jatiya Party led by General Ershad as its main partner. The AL contested the polls for 245 constituencies while it conceded 46 parliamentary constituencies to Jatiya Party (JP) and nine others to minor partners which included Workers Party of Bangladesh (3 constituencies), Jatiya Samajtantrik Dal (5 constituencies), and Ganatantri Party (1 constituency). However, election to

As regards the election result, it was predicted by several exit polls that the grand alliance headed by Awami League would secure more seats than the BNP led alliance. However, the overwhelming vote in favor of a secular political party, Awami League, in the fourth largest Muslim populated country is a strong indication that the people of Bangladesh favor more democratic development amidst huge challenges of corruption, poverty, and weak governance (Curtis and Nicholas, 2009). The Awami League led grand alliance secured 262 out of total 300 seats where AL's own share is 231 seats.<sup>10</sup> On the other hand, BNP led alliances secured only 33 where BNP's individual share is 30 seats.<sup>11</sup> Following table depicts detailed result of the 2008 election.

Table-2 Result of 2008 Parliamentary Election

Name of Parties	Total Number of Constituencies (300) won
Bangladesh Awami League (AL)	231
Bangladesh Nationalist Party (BNP)	30
Jatiya Party (JP-Ershad)	26
Others	4
Jatiya Samajtantrik Dal (JSD-Inu)	3
Workers Party of Bangladesh	2
Bangladesh Jammat-e- Islami	2
Bangladesh Jatiya Party (BJP)	1
Liberal democratic Party (LDP)	1
<b>Total</b>	<b>300</b>

*Source: Bangladesh Election Commission (www.ecs.gov.bd)*

### Awami League's Landslide Victory: Search for Reasons

Given the landslide victory of the AL led grand alliances, a question needs to be answered is what were the factors that helped the grand alliances to secure such an incredible win in 2008 election. As a matter of fact, not any particular factor rather a number of factors helped the

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Noakhali- 1 (which was conceded to Ganatantri Party) was postponed due to the death of Ganatantri Party leader Mohammad Nurul Islam in a mysterious fire. Later on, AL nominated their own candidates in this constituency (Retrieved from [http://en.wikipedia.org/wiki/Bangladeshi\\_general\\_election,\\_2008](http://en.wikipedia.org/wiki/Bangladeshi_general_election,_2008), on 11/04/2009).

<sup>9</sup> The Bangladesh Nationalist Party (BNP) along with its allies Bangladesh Jamaat-e-Islami contested for 296 out of 300 in the 2008 election. Candidature of BNP candidates in four constituencies were cancelled by the Election Commission. BNP conceded 34 constituencies to Bangladesh Jamaat-e-Islami and two seats to Bangladesh Jatiya Party (BJP), Islami Oikya Jote and Jamiat-e-Olama-e-Islam. BNP individually contested for 256 constituencies (www. www.ecs.gov.bd)

<sup>10</sup> Among other parties within grand alliances, Jatiya Party (JP) secured 26 while the ratio for Jatiya Samajtantrik Dal [JSD (Inu)] and Worker's Party of Bangladesh (Menon) were 3 and 2 respectively.

<sup>11</sup> Among four party alliances, Bangladesh Jammat-e- Islami secured 2 while the rest 1 went to Bangladesh Jatiya Party (BJP).

grand alliances to secure such a landslide victory. The following discussions may highlight some of these.

**First:** during BNP's last term in the government (2001-2006), the corruption was rampant in every sector. Bangladesh was named the most corrupt country for five consecutive years by Transparency International. Out of these five years, four years were under BNP's rule. It was widely alleged that both sons of the then Prime Minister were involved in wide range of corruption.<sup>12</sup> Tareq Zia (elder son of Khaleda Zia) became a giant who influenced large scale business contracts and state decisions by abusing state power even though he did not hold any official position. Such misuse of power might have created a negative feeling among the voters. Moreover, prices of daily commodities rose up to the pick during the later part of the BNP rule. People suffered severely from price hike and the election results may reflect such dissatisfaction and a bid to get rid of this situation. The prices of daily commodities continued to rise during the Care-Taker government. At times it went beyond the capacities of the common people. It was perceived by common people that if the BNP government would not have tried to manipulate elections in 2006, the army backed care-taker government would not have come. It has already been discussed earlier that the care-taker government was formed by non-political persons. Although they had taken several positive initiatives, however, one of their major failures was their inability to control market prices, especially the kitchen market. A group of business syndicates in collusion with some affected corrupt politicians tried their best to manipulate the market by keeping the prices of every commodity high. Thus general voters were annoyed with BNP and looked forward to bring changes. It is important to mention here that during AL's rule (1996-2001), the market prices remained within the capacities of the common people. Thus there was an expectation among the ordinary voters that if AL would come to the power, market prices would go down. This may have prompted the voter to vote in favor of the Awami League.

**Second:** As it was discussed, during the last two years of rule under the army backed care-taker government, several initiatives were taken to divide main political parties in the name of rectification of political parties. Through Minus Two Formulas<sup>13</sup>, the care-taker government

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<sup>12</sup> Names of both son of Khaleda Zia are Md. Tareq Zia and Md. Arafat Rahman Koko

<sup>13</sup> Two major political parties (AL and BNP) of Bangladesh are headed by two women, namely Sheikh Hasina and Begum Khaleda Zia who enjoy unchallenged supremacy.

tried to remove the two women leaders from holding top positions of the two major political parties.. For achieving this, they backed a group of politicians from both parties who were known as reformists in the political arena. During this process, the BNP as a political party was the most affected one than the AL since a large group of BNP leaders headed by Mannan Bhuyan (the then General Secretary of BNP) took stand against Khaleda Zia, the party leaders and stressed for reform in the party and strip her as the leader. When the government failed to implement the Minus Two Formula, they had to negotiate with two women leaders for the sake of holding an acceptable election in the country.<sup>14</sup> One equation the government failed to take into account is the cultural aspect of this sub-continent where dynastic politics are crucial. Both Khaleda (her husband General Zia was a president) and Hasina (daughter of Sheikh Mujibur Rahman, the first President of Bangladesh) come from families which hold top executive positions of the country and long political carrier. Any attempt to exclude them may not be successful in Bangladesh as well as in elsewhere in the sub-continent. In spite of the failure, it did brought the issue of reform in the agenda of the political parties.

Before the election when Begum Zia and Sheikh Hasina were released from custody, Begum Zia took a strong stand against the reformists and barred them from the mainstream political party that included denying them party nomination to contest the election. In some cases, these politicians contested election as an independent candidate.<sup>15</sup> On the other hand, AL as a political party was not so strongly affected either by the Minus Two Formula or reformists. Although a group of AL politicians tried to initiate reforms in their party by over throwing Sheikh Hasina from her position, however, they were not successful.<sup>16</sup> In the absence of Hasina, the then acting president of AL Mr. Zillur Rahman (now the President of the country)

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The Army backed care-taker government after coming into power tried to bring back democratic tradition within the political parties by removing two women from their leadership positions. However, the government's attempt failed. That initiative of the government is popularly known as Minus Two Formula.

<sup>14</sup> It was widely speculated in the political arenas and in the media that the then Care-Taker government made an informal negotiation with Sheikh Hasina and Khaleda Zia on the ground that they would be freed from custody if they agreed to take part in the election.

<sup>15</sup> Among those candidates prominent were Mannan Bhuiyan, Chowdhury Kamal Ibne Yousuf, and Osman Faruque etc. All of them were full ministers during last BNP government (1996-2001). Contestation of these heavy weight political leaders against their party might have impacted negatively in the election.

<sup>16</sup> Among those reformists prominent were Amir Hossain Amu, Tofail Ahmed, Abdur Razzak, and Suronjit Sengupta. All of them are AL's presidium members.

showed his maturity to keep the party united and intact. When Hasina were freed from custody she also showed maturity by expressing amnesty to those reformists. She did not take any harsh action against those reformists.<sup>17</sup> In their power play, the BNP was fragmented into two groups which may have contributed to their dismal performance in the election.

**Third:** Alliances of Awami League with other parties, especially with Jatiya Party (JP-Ershad) might have impacted positively to secure such an overwhelming victory.

Table-3 Result of Parliamentary Elections in Bangladesh from 1996 to 2008

Election year	Percentage of votes (single party)	Percentage of votes (Alliance)	Number of seats (total 300) won by alliances/single party
2008	AL 48%	AL grand alliance with JP and others <b>55%</b>	262
	JP 7%		
	BNP 32 %	BNP alliance <b>36.5%</b>	33
	JIB 4.5%		
2001	AL 40.2%	No alliance between AL and JP	62
	JP 7 %		14
	BNP 38.1 %	BNP and JIB alliance <b>42.3%</b>	210
	JIB 4.2%		
1996	AL 37.4 %	No alliance	146
	JP 16.4 %		32
	BNP 33.6 %		116
	JIB 8.6 %		3

*Source: Compiled by the authors*

As table 3 reveals, alliances have become the most important factor in winning elections. In the 2008 election, the AL led grand alliances obtained 55% of votes (AL 48 % and JP 7 %).<sup>18</sup> On the other hand, the BNP led alliances secured 36.5 % votes (BNP got 32 % and Jamat-e-Islami got 4.5 %) (The daily Amader Somoi, 2009). Forming alliances

<sup>17</sup> It is important to mention here that although the prominent reformists managed to get nomination in the election and got elected, however, none of them were given any position in the cabinet. In the political area it is perceived that Hasina did it deliberately in order to teach them a good lesson.

<sup>18</sup> It is important to mention here that other than Jatiya Party, all other political parties included in the grand alliances contested elections in AL's boat symbol. Other party's ratio of votes is negligible.

to contest elections started in 2001 by the BNP. In the 2001 election, their alliance with Jamat-e-Islami (JIB) secured them a win. The AL as a single party, in spite of, securing the highest percentage of votes (40.2%) compared to BNP's 38.1% could not win the election. Had they allied with the JP (Ershad) as they did in 2008 they could have also won the election in 2001 by securing around 47% compared to BNP alliance's 42.3%

However, forming alliances and contesting elections may have serious consequences for politics in general in Bangladesh. First it may make national politics polarized with only two major parties and their allies dominating. These alliances are formed not on ideologies or party programs but on conglomeration of individuals with their narrow interests. Second, this polarized politics may not allow smaller parties to take deep root or even survive unless they join one of these alliances. As a result, small parties based on regional and group interests may not flourish as is quite common in democratic pluralism, e.g. in the Scandinavian countries. Party pluralism may diminish and make way for grand alliances. Third, we may witness more tug of war, horse trading, and buying and selling of political leaders and their parties to join or form an alliance. "Who gets what and how much" may become the order of future politics in Bangladesh.

**Fourth:** Inability of the BNP to win support of the fresh voters who were mostly young was one of the factors that helped AL to secure victory. According to the election commission report, 31% of voters were fresh and young. It is assumed that AL secured support of this large group of new voters. AL's promise to bring changes and to build "digital" Bangladesh might have helped to draw attention of the new and young voters. Another issue might have influenced the voters was the issue of trial of war criminals.<sup>19</sup> Sector commander's forum<sup>20</sup>

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<sup>19</sup> Independence of Bangladesh was come through a war of liberation in 1971 which lasted for almost nine months. During war of liberation a group of Bangladesh people took stand against our independence and collaborated with the Pakistani Army. During this processes Pakistani Government recruited thousands of Razakars whose main responsibilities were to provide intelligence to Pakistani army about freedom fighters, the supporters and sympathizers of the war and abducted, arrested and eventually killed them with the help of the Pakistani army. Moreover they were engaged in burning the houses and looting the properties of Bangladeshis. They were also engaged in kidnapping thousands of Bangalee women and trafficked them to various Pakistani military camps and raped and molested 450,000 Bangalee women. These Razakars belonged mostly to the fundamentalist political parties and their supporters. Apart from Razakars, there were Al-Badars and Al-Shams who belonged mostly to the student wing of the fundamentalist party Jamaat-e-Islami and the follower of 'Moududi (a political leader Maulana Abul Ala Moududi)' ideology (Biswas, Ripnn Kumar (2007) What about the war criminals of Bangladesh?, Retrieved from <http://bangladeshwatchdog.blogspot.com/2007/02/what-about-war->

advocated the issue for the last couple of years which had been widely circulated through print and electronic media all over the country. Sector Commander Forum's demand for trial of war criminals has drawn attention to the majority of young voters who were not even born during the war of liberation. Since many leaders of Jammāt-e-Islami who allied with BNP were war criminals, it was understood by the voters that the BNP would not initiate the process of trial of war criminals. Rather they (voters) looked toward the AL who steered the war of liberation in 1971 and was committed to complete the trial of war criminals.

**Fifth:** Given the initiative of the army backed care-taker government to the reorganization of politics and political parties it was predicted that major political parties would learn a lesson and would try to come out from the cocoon of narrow and dirty politics. Since the care-taker government through the Anti –Corruption Commission took legal action against corrupt politicians, it was expected that all major political parties would not nominate those politicians who had already been sued for corruption charges and those who had serious allegations like carrying out atrocities and even terrorism. However, when nominations were given it was observed that a good number of politicians having serious charges of corruption and terrorism managed to get nomination from the BNP which was highly disliked by ordinary voters. This shows how weak BNP is to implement policies of change and bar these corrupt leaders. On the other hand, the AL was able to offer nomination to mostly clean imaged personalities. It does not mean that the AL did not at all give nomination to certain corrupt individuals, but their numbers are few compared to those in the BNP. Nominations of clean imaged candidates might have drawn the attention of the voters which may have influenced their decision in casting vote in favor of AL.

**Finally:** As it is perceived, third world politics is always influenced by the military and external influences. As a developing country, Bangladesh is not an exception. Rather its politics and economy are highly vulnerable and susceptible to external influence. During the

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criminals-of-bangladesh.html, on 11/04/2009). These Razakars, Al-Badars, and Al-Shams along with those who were against the independence of Bangladesh are the war criminals.

<sup>20</sup> During the war of liberation, the country was divided into 11 sectors under the leadership of sector commander (s). Sector Commanders Forum is an association of these sector commanders who are still alive and active to uphold the spirit of the War of Liberation. For more details about different sectors and sector commander's forum, visit: <http://www.sectorcommandersforum.org/>

later part of the army backed care-taker government, the BNP, especially when Khaleda Zia was freed from the custody, took strong stand against the care-taker government and the army. It was because several of its leaders including two sons of Khaleda Zia suffered a lot including physical harassment on charges of corruption. The BNP leadership including Begum Khaleda Zia was insisting that if they would regain power they would initiate trial against army personnel and the care-taker government who were associated with harassing BNP leaders and maligned their images. On the other hand, the AL leaderships did not take a harsh stand against the army and the care-taker government and instead were insisting that they would legalize all activities of the care-taker government if they would come to power. According to BNP, the AL might have received some sort of support from the army and the care-taker government in winning the election. However, the BNP has not come out with any hard evidence to solicit such claim and is such is mere speculation and expression of grudge after losing the election by such a big margin.

### **Aftermath of 2008 Election: Major Challenges of the AL government**

After winning the 2008 election, the AL initiated some positive steps which have been appreciated by large section of the community. First, Prime Minister Sheikh Hasina presented her cabinet comprising ministers with clean images. Although relatively young, Hasina's cabinet has been appreciated by majority of the population with the expectation that the relatively young ministers would be dynamic in their activities and be honest and professional in the conduct of their responsibilities.

#### ***Checking price hike***

Since AL secured a landslide victory in the election, people's aspiration to AL leadership is immense. People of Bangladesh really want changes in all aspects as was advocated by AL leadership before election. After sworn in power, the first responsibility of the government was to reduce prices of daily commodities. In this regard, the government was sincere and tried to control the price hike. As a result, within few weeks' prices of most of the commodities came down which were welcomed by the common people. It is important to mention here that prices of different commodities in the international market also came down sharply. Such decrease might have also impacted positively in the internal market of Bangladesh as well.

### ***Trial of war perpetrators***

Another concern of the common people was the trial of war criminals. As it has been discussed earlier, the majority of the young and fresh voters supported AL with an expectation that they would bring changes through establishing digital Bangladesh and that they would expedite the process of the trial of war criminals. Apart from the voters, Sector Commander's Forum was also insisting for taking quick step to start the process of trial of war criminals. Taking into consideration the sentiments of different quarters, AL government has already started the process of initiating trial against the war criminals. Even, a proposal has been passed in the Parliament to continue the trial against war criminals which was also supported by the main opposition the BNP. Success of AL on this issue depends on the willingness of the government to make the trial as impartial as possible so that no party (s) would be able to raise their finger towards the government on the ground that the total trial process was politically motivated.

### ***Containing student wing of the AL***

After coming into power, one of AL's major challenges has been to contain Chatra League (CL), the student organization of the AL. Given the political tradition of Bangladesh, student wing of the ruling party extend their control on all educational institutions once their party assumes power. In continuation to this tradition, CL started to extend their control on all higher educational institutions of Bangladesh. In this process, they came into conflict with other student organizations. Most importantly they have been involved in intra group's conflict. This kind of maneuver is quite common immediately after elections as student wings of the winning party tries to gain control over educational institutions and residential dormitories. This gives power and supremacy over these institutions and provides easy access to procurement contracts and extortion of traders in the vicinity. However, in the case of the CL, the situation took an adverse turn and several educational institutions were closed.

Finding no other alternative to contain the students, Prime Minister Sheikh Hasina stepped down from the position of organizing head of the CL. Very recently, it has been reported in different newspapers that central Awami League (AL) leadership has started to show cold shoulders towards CL. Many of the cabinet ministers and top leaders of AL has already expressed in the media that they would not join any activities of the CL and are trying to refrain from close contacts with

them. Even while making registration with the election commission, AL has not recognized CL as its associate organization. Moreover, the Home minister has instructed law enforcing agencies to take stern actions against those who are trying to demolish the image of the government in the name of the CL. These are the indications of the fact that the government has failed to contain its student wing. As a matter of fact, CL has become a serious threat to the reputation of the government. Many of its praiseworthy initiatives have now been overshadowed by the activities of the CL and the media is also focusing on their misdeeds drawing huge public attention.

### *Islamic militants*

Another matter of serious concern for the newly elected government is to control Muslim militants in the country. Especially at the eve of trial of war criminal, these groups may escalate their activities since majority of the leaders of these organizations were war criminals or have strong links to them. They might resort to activities to destabilize the government. The news media is reporting almost everyday of apprehension of these groups by the law enforcing agencies from the north of Bangladesh to the south-east, which may indicate they are spread all across the country in the form of sleeping cells and activated when required. Few weeks back, the security forces seized lots of arms and ammunitions from a Madrasa<sup>21</sup> in a southern district called Bhola. On 15<sup>th</sup> May, the law enforcing agency busted a 'mini-munitions factory' of JMB<sup>21</sup> in the capital city Dhaka and recovered a huge cache of bombs and bomb-making materials (The Daily Star, 16/05/2009). In the interrogation of a detained militant, it was revealed that there are at least 50 operatives in the militant Islamist organization Jama'atul Mujahideen Bangladesh (JMB) who can make bombs, and almost all of them were trained by now detained 'Boma Mizan'.(bomber Mizan).

### *The BDR mutiny*

However, the biggest blow to the newly elected AL government came on 25<sup>th</sup> February, 2009 when a mutiny in the Bangladesh Rifles (BDR), a paramilitary border force lasted for 33 hours and threatened national security. The mutiny staged by BDR jawans (soldiers) against deputed officers from the Bangladesh armed forces claimed the lives of 74 people including 57 mid ranking to high level military officers. According to the National Probe Committee on BDR Mutiny which submitted its report on 22<sup>nd</sup> May, 2009 quoted mutineers that they

<sup>21</sup> Madrasa is religious based educational institution.

<sup>21</sup> Banned Islamist outfit Jama'atul Mujahideen Bangladesh (JMB)

staged this mutiny to end “discriminations by the army officers deputed to BDR”. They would call it “a mission to oust the foreign birds from BDR” The Daily Star, 31<sup>st</sup> /05/2009. Huge disparity in the lifestyles and benefits of ordinary soldiers vis-à-vis deputed army officers may have sparked of the discontent and subsequently the mutiny.

During those two days – 25<sup>th</sup> and 26<sup>th</sup> February, 2009 - the whole nation was glued to the live coverage of the mutiny broadcasted in all TV channels, and followed the developments amid numerous speculations and rumors. Fortunately, the mutiny did not spread out of the BDR headquarter in Dhaka to other parts of the country, in spite of the fact that the army cordoned off the whole headquarter and were waiting for signal to storm the premise. This never happened which apparently was a wise decision on the part of the political and military leadership because any attack would have escalated the conflict, atrocities and claimed more lives. Even worse, the country would have plunged into fractions and deep cleavages in the disciplined armed forces which may have destabilized the government and eventually the state.

After few days when the mutiny was brought under control, Prime Minister Sheikh Hasina visited the army headquarter to face and talk to the officers. In that encounter where hundreds of officers were present, she was confronted with anger and dissatisfaction about the loss of lives of so many army officers and the way the whole situation was tackled by the political leadership. Never before in the history of Bangladesh, even during the Liberation War in 1971 and numerous coup d'état and counter coup d'état had so many top ranking army officers been killed. Since no untoward incident took place after the meeting, it may be concluded that she may have handled the situation well and avoided a further political crisis and salvaged her government.

### ***Reshuffling bureaucracy and massive promotion***

In the latter part of 2009, the AL government has embarked on an unprecedented reshuffling venture to reward a large number of bureaucrats by giving massive promotions to senior level administrative positions. The reason given was that these bureaucrats were deprived during the rule of the BNP and the care taker government. As a result, as many as 500 officials who were alleged to be “ignored” during earlier regimes were blessed with higher posts without following any objective criteria for promotion (The Daily Star accessed on 8<sup>th</sup> September, 2009). Even many promoted officials did

not have any portfolio and hence were made “Officer on Special Duty” a term usually used for redundant officials. It is claimed by experts that this mass exodus of higher level promotions allegedly through massive lobbying by a section of the bureaucracy after the AL came into power may do more harm than good to the entire public administration in particular and to governance in general (The Daily Star accessed on 27th June 2009). These shake-ups took place without following the standard operating procedure for promotion and hence resembles more of a spoil system where a section of the bureaucracy is rewarded on political grounds. This is again politicizing the bureaucracy which is already being highly politicized from before.

The consequences of this may have serious consequences for governance. First, there would be erosion of esprit de corps and fragmentation of bureaucracy because of break up of discipline and rule of law. Since promotion is based on lobbying and not based on any objective criteria such as performance, there would be more temptation to break, bend and by pass rules rather than abiding by it. This may lead to distrust within bureaucracy and lack of citizens’ confidence on administration. Second, the bureaucracy may become unpredictable and an unprofessional force where professional identity and integrity would be compromised for political and individual gains. Finally, the quality and universality of public services would seriously dwindle because professional norms and ethics would be ignored and instead personal gain based on favoritism and clientelism would reign supreme.

### ***Indictment of the killers of Sheikh Mujibur Rahman***

One of the longest drawn legal suits in Bangladesh has been the trial for assassinating Sheikh Mujibur Rahman popularly known as *Bangabandhu* (friend of Bengal). Bangabandhu who led Awami League to a landslide victory in Pakistan’s first ever national election in 1970 was also the major source of inspiration for the liberation of Bangladesh in 1971. For his relentless contribution to the cause of Bangladesh, he was called the “Father of the Nation”. He was later assassinated in 1975 along with all of his family members except the two daughters (the eldest daughter Sheikh Hasina is now the Prime Minister and leader of the Awami League) by a group of junior army officers. Since 1975, the change and shifting of regimes between military and civilian rule have buried the issue of trying the killers of Bangabandhu. Finally on 19 November, 2009 the Supreme Court of Bangladesh in its verdict has rejected appeals of the killers of Sheikh Mujibur Rahman. It unanimously upheld an earlier judgment that

found all those 12 army officers guilty of the crime and handed down capital punishment to the perpetrators. The issue has been a “black” spot in the political scenario of Bangladesh and has been haunting the political arena since 1975. This “shameful” event has even been sidelined by some quarters alleged to be against the spirit of the War of Liberation who even managed to manipulate the Constitution of Bangladesh to include the indemnity act to forbid any legal trial on this matter. Now that the verdict of the high court is declared, the big challenge is to execute it in spite of the fact that there still exists opposition to thwart such an attempt. At the same time, there is also huge support for the verdict to be executed. This was also one of the election pledges of the Awami League in 2008. The execution of the verdict will no doubt put an end to the resolution of a painful episode in the history of Bangladesh. It would no longer be a case of justice delayed, justice denied but a case where justice is properly served at last.

### ***Recent Violence in the Chittagong Hills Tract***

In the recent past one of the important issues of concern for the government is the continuing violence in the Chittagong Hills Tract region. After a long silence, the CHT region has once again volatile. During 19<sup>th</sup> to 23rd February 2010, CHT region witnessed violent clashes that erupted between ethnic Jumma minorities and Bengali settlers in the Khagrachhari and Rangamati districts. As a consequence of the violence at least four people died and hundreds of people were either injured or displaced. Reports claimed that thousands of indigenous people were made homeless because nearly 600 Jamma buildings, including residential houses, temples, churches and schools were set ablaze reportedly by Bangali settlers. Such violent activities are still taking place now and then. Of course, there were cases of setting fire to the homes of Bangali settlers as well (Prothom Alo, 20/02/2010 – 24/02/2010). Apart from inter-group violent activities, cases of intra-ethnic minority group conflicts are also becoming frequent.<sup>22</sup> Debates are going on as to find out the real motives of this recent violence. From the government perspective it is claimed that such activities are perpetrated by opposition political parties in order to destabilize the governments. On the other hand, the opposition is claiming that the government committed a blunder by withdrawing

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<sup>22</sup> In most cases, the Parbatya Chattagram Jana Samhati Samiti (PCJSS) and the United Peoples Democratic Front (UPDF) confronted with each other. The first group is perceived themselves as the supporter of the CHT accord and the latter is opposing the Accord.

temporary army camps from the CHT region which has resulted in such violent activities. Whatever might be the reasons, the recent violence in the CHT region would very likely pose a serious challenge to the government in the upcoming days with regard to peace and security in the region.

### *Power and energy crisis*

With the increased demand for electricity and natural gas, the government has now a major task of maintaining regular supply of gas and increase energy production. These are also of utmost importance if the government has to maintain the present level of economic growth by supplying energy mainly to the garment manufacturing sector, on the one hand, and to quell the dissatisfaction of city dwellers for irregular supply of gas and frequent power failure. However, the government has taken some initiatives to increase electricity production and to maintain a regular supply of gas by initiating some gas exploration projects and private ventures to produce electricity. Although the government is claiming that they have added 800 Megawatts of electricity to the national grid during their tenure, but this amount is not enough to meet the growing demand of electricity supply (The New Nation, 13/05/2010). Thus, the government should pay serious attention to the issue of gas and electricity since all initiatives in this regards are long term efforts and benefits of these initiatives may take sometime to reach to the common people and the economy as a whole.

### **Conclusion**

In the midst of confrontational politics during later part of the 2006 when the country went into a situation of unrest, chaos, and political conflict, ordinary citizens of Bangladesh wanted to come out from that trauma. Under such circumstance, the people of Bangladesh welcomed the army backed care taker government. The care taker government through their strong stands against corruption and initiatives to reform in almost every sector received wide spread support of the general public. However, their popularity went down when they failed to control price hike of daily essential commodities. Despite their failure to control market prices, they stuck to their promise when they assumed power of holding the election and transferring power to a civilian government. They were successful since they transferred power to a democratic government elected through a free, fair and credible election which was appreciated at home and abroad.

When it comes to the question of landslide victory of AL led grand alliance, several factors were responsible for such an incredible election result. As a matter of fact, general public were frustrated during the BNP's rule (2001-2006) and their frustration turned into a mass upsurge when the prices of kitchen commodities went beyond common men's capacity during the caretaker government since it was perceived that army backed caretaker government was the creation of BNP's annoyance and unfair play to manipulate election result which was scheduled in 2006. Thus, voters, withdrawing their support from the BNP, cast votes in favour of AL led grand alliances. Of course, AL's alliance with the Jatiya Party (Ershad) had an impact in the election result since they (Jatiya Party) had support from 7% of the voters. The equation was simply clear that if JP's 7% of votes would add to AL's around 40% votes, they would secure more seats than the BNP led alliances. Finally BNP's fragmented political situation and nomination of corrupt politician put AL in more advantageous positions.

Securing absolute majority in the election is always risky and challenging. In such a situation voter's expectation remain very high and there is a tendency among the ruling party to underestimate the opposition parties because their win with more than two-thirds of majority may put a mask on their eyes to observe and feel the real situation. Their huge election victory may make them blind to minority's concern and needs. If people's expectation is not fulfilled, there remains every possibility that voters would withdraw their support from the government. During the past few months, the political scenario has remained calm across Bangladesh. The AL in spite of having tackled the major crises has failed to control its student organization which ultimately creates a negative impact on the mind of general public. The people of Bangladesh have welcomed the restoration of democratic rule and the winning party, AL, has committed to cooperate with other parties. It is too early to predict any thing about the performance of the AL in power. We will have to allow some time to the ruling party to get settled. After couple of years we would be able to comment whether the country is heading towards the right direction or not. However, the AL should take care at least in four aspects.

**First**, they should not act as a single and only one party given the overwhelming majority, but rather should be open, accessible and transparent to new ideas even though they may be diametrically

opposite. This means they should work in close cooperation with different sections of community including opposition parties.

**Second**, they should and must not allow party members to take undue advantage of this absolute majority. The AL came to power mainly on the basis of support of people from all walks of life. That support must be recognized, respected, and evaluated. Therefore, both intra party conflicts which are mainly carried out to control territories for getting illegal access to money must be categorically dealt with a clear message that such acts are unwelcome. Moreover, they should put more emphasis on how well they could handle activities of their student wing, CL. Activities of CL have already created negative image among the minds of ordinary citizens about the performance of the government. Thus, the government should impose a full stop on such deterioration before it could go beyond control and affect their mode of governance seriously. At the same time, militant activities disrupting social order and stability must be rooted out.

**Third**, the AL used some long term visions to guide voters such as “digital Bangladesh” in the election. Such visions must be clearly spelled out and acted upon because common people would like to see that the AL sticks to their promises. Moreover, the government should take care of the ongoing violent activities in the CHT region. Since the CHT Peace Accord, 1997 was signed under the leadership of the Awami League, it was expected that remaining clauses of the treaty which were not yet implemented, would be implemented soon so that peace could be reinstated in this region. For establishing peace and security in the region, the government should proceed taking the opposition into their confidence. In that case, they would suffer less resistance from the opposition party while implementing remaining clauses of the treaty.

**Finally**, politics needs a professional and expert body to help policies being carried out effectively. The bureaucracy in Bangladesh has a checkered history and a glorious past. It must not be politicized by favoring some and punishing others. Rather efforts should be made to reinstate its pride; image of neutrality, and performance orientation which would help to regain citizens’ confidence. This is only possible by transforming it into a professional body capable of implementing policies and ensuring good governance. In this regard, experiences of the bureaucracy in “developmental states” in South-East Asia such as Korea, Taiwan, Hong Kong, Singapore, Malaysia and others may be mapped, learnt and retained to generate home grown ideas for social development and economic prosperity.

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