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EDITORIAL INTRODUCTION

LOCAL GOVERNANCE IN DEVELOPING NATIONS: REEXAMINING THE QUESTION OF ACCOUNTABILITY

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INTRODUCTION

State-centered policies related to socioeconomic development represent one of the most crucial features in Asian, African, and Latin American countries, although recently, such an interventionist policy stance has shifted more towards market institutions. Since their independence, most of these developing countries have pursued expansive development programmes encompassing almost all socioeconomic sectors, especially in the context of weak private capital and entrepreneurship. As the state began to play a more expansive developmental role, the successful implementation of development policies and programmes became increasingly dependent on the nature of the state bureaucracy. The transition from colonial administrative objectives of law and order to the postcolonial mission of development required corresponding changes in bureaucratic structures, functions, and norms. In other words, the overall perspective of bureaucracy had to become more development oriented: this led to the emergence of the so-called "development administration" allegedly characterized by innovation, decentralization, and flexibility as opposed to the rigid, centralized, and aloof nature of traditional colonial bureaucracy, although development administration itself came under serious criticism.¹ It is, however, the decentralization of bureaucratic structure that became a central concern in transforming bureaucracy into development administration.

The decentralization of development policies and programmes to local institutions has been emphasized in developing countries due to the increasing recognition that expansive administrative responsibilities cannot be carried out by the central government alone, that socioeconomic progress requires active people's participation, that resource mobilization necessitates local initiatives, and that devolution of power is a precondition for a democratic mode of governance. Despite the recent policy shift towards privatization and deregulation and the increasing transfer of state activities to the whims of market forces, the role of local institutions remains significant for the realization of people-centered development in developing nations. In fact, with the diminishing role of the state in programs such as poverty eradication, employment generation, public health, and basic education, the role of local institutions in addressing the needs of local communities has increased. This essential role of local governance in

socioeconomic activities, however, requires that local institutions and their incumbents should be accountable to the local public.² Since a considerable amount of state-run programs under various ministries, agencies, or departments is implemented through local authorities, the accountability of central government has to be supplemented by the accountability of these local authorities to their respective constituencies.

On the other hand, the loyalty of local institutions to central government may not be sufficient for, may even be antithetical to, their accountability to the local communities.³ Very often, due to the politicization and bureaucratization of local institutions and the imposition of various programs on them by the central government, these institutions can hardly be responsive to the local needs. This overwhelming power of the central government over local authorities is usually due to their extreme dependence on the state for resources, technologies, and infrastructure. In addition to this barrier to local-level accountability caused by the centralized and dependent nature of central-local relations, there are other constraints to such accountability, including the continuing colonial legacy of central control over local communities, the unequal local power structure that enables the rural elites to dominate local institutions, an alliance between the local elites and state bureaucracy that allows local authorities to ignore popular concerns and expectations, and the lack of civil society and organized interest groups to articulate the public voices. In short, although there is an increasing need to ensure the accountability of local institutions, there exist many obstacles to the realization of such accountability in developing countries.

In this regard, this article examines the major limits of local-level accountability in these countries and explores some alternative policy measures with a view to overcoming these limits of accountability. However, in order to make this venture meaningful, the next section is devoted to a brief analysis of the significance and forms of accountability with special reference to local-level governance.

LOCAL-LEVEL ACCOUNTABILITY: MODES AND SIGNIFICANCE

Modes of Local-Level Accountability

In studying the public accountability of local institutions, one needs to examine the modes or forms of governance practiced by such institutions. At the national level, the availability and effectiveness of various means of accountability--including legislative committees, parliamentary questions, executive control, budget and audit, ombudsman, codes of conduct, opinion polls, and media scrutiny⁴--depend on the forms of government ranging from parliamentary to presidential, single-party to multi-party, monarchical to representative, and autocratic to populist systems. Similarly, at the local level, the effectiveness of various mechanisms of accountability--including the elected chairman or mayor, local council or board, committees and sub-committees, public hearing, local media, rules of business, and scrutiny by the central government--is usually determined by the modes of local-level governance ranging from the centralized to decentralized, elected to appointed, and general-purpose to special-purpose

systems of local institutions. In other words, the nature of local-level accountability can be understood largely in terms of the forms or modes of local governance.

In this regard, first, it is necessary to examine the nature and degree of decentralization enjoyed by the local government system. Rondinelli, Smith, and Uphoff observe some major variations in the nature of decentralization, including *delegation* (transfer of functions to the local level but the ultimate responsibility lies with central government), *deconcentration* (transfer of functions from central ministries to their field agencies), *devolution* (transfer of both functions and decision-making authority to legally incorporated local government), *intermediation* (transfer of functions to self-help organizations), and *privatization* (transfer of functions and responsibilities to the private sector).⁵ These varying modes of decentralization, especially delegation, deconcentration, and devolution, have considerable implications for local-level accountability. In his analysis, Norman Uphoff identifies the modes of decentralization by using two basic criteria, including where decision-makers are located (central vs. local), and whom the decision-makers are accountable to (central authority vs. the local electorate).⁶ More specifically, when the decision-makers are centrally located and accountable to central authority, it is centralization; when they are centrally located but accountable to local electorate, it is democratization; when they are located at the local level but still accountable to central authority, it is deconcentration; and when decision-makers are located at the local level and also accountable to the local electorate, it is devolution.⁷ Among these categories, it is deconcentration and devolution that are more relevant to the issue of accountability at the local level while centralization and democratization are related to central government accountability.

The modes of accountability of local institutions also depend on their organizational nature, structure, and composition. For instance, in the case of field (local) administration run by various ministries or agencies, the local-level officials are largely accountable to their respective central authorities; in the case of elected local self-government, the councils and their members are accountable to local residents who elect them; and in the case of self-help organizations (e.g. water users' association) and cooperatives (e.g. farmers' cooperatives), the members are collectively accountable to their own organizations, and thus, to themselves.⁸ Thus, the accountability of a local organization is not only determined by the scope and degree of decentralization it exercises, it is also shaped by its organizational form and composition which, in turn, reflect the scope and degree of decentralization. However, more concrete or practical examples of local institutions with varying scope and degree of decentralization, and with diverse organizational forms and compositions, are the major traditions of local government systems found in different parts of the world. For instance, the British system of local government found in South Asia, Africa, Australia, and North America, is characterized by devolution, local self-governance, representative elected councils, and citizens' participation; while the French system practiced in Western Asia, part of Western Europe, Northern Africa, and South America, is distinguished by deconcentration, executive dominance, and rigid hierarchy.⁹ Given these features of governance, while the British pattern of

local government is likely to be accountable to the elected councils and local electorate, the French system appears to be more accountable to central authority.

In summary, the accountability of local authorities is considerably determined by the mode, organizational composition, and tradition of local governance. When local governance is characterized by devolution--implying a considerable degree of local autonomy from the centre, the exercise of power by elected local councils, and effective people's participation--it is more likely that local authorities are responsive to local concerns rather than to the dictates of central government, and they are accountable to the local electorates rather than to government ministries and agencies. This mode of local governance that exists in representative local governments, self-help associations, and various cooperatives, provides greater power to local people who can influence the policies and programs of these local institutions and make them accountable for such policies and programs. In addition, since these local institutions usually enjoy greater fiscal autonomy in terms of appointing their own staff and having their own local sources of revenue and sharing certain revenues with the central government, they are less dependent on the centre, and thus, have greater capacity to respond to the needs of local residents instead of being loyal only to the central government. On the other hand, when the mode of local governance is deconcentration--implying an extension of central government to the field administration based on the appointment of government bureaucrats at the local level--the accountability of local authorities is predominantly to the central government rather than local people. This relatively bureaucratized mode of local governance, as found in many developing countries, is characterized by the dominance of central bureaucracy over local representatives, limited financial and personnel autonomy of local authorities, their economic dependence on central government, and the lack of opportunity for peoples' participation. As a result, the accountability of local authorities based on deconcentration is an accountability to the appointing authorities of central government rather than to the local communities. Although deconcentration as a mode of governance is quite conducive to the maintenance of strong central-local relations and coordination of various local institutions at the central level, such local governance often leads to excessive central control, local dependence, indifference towards local needs, and above all, the powerlessness of local people to make local authorities responsive and accountable to them.

Despite the aforementioned variations in the nature of accountability of local institutions depending on their modes and structures of governance, local accountability remains essential, especially when the current trend is increasingly towards a reduction in the size and scope of state bureaucracy and the transfer of many government programs to the local level. The next section attempts to explain the significance of local accountability.

Significance of Local-Level Accountability

At the national level, public accountability is extremely essential for maintaining public confidence in governance, justifying government activities, and ensuring the overall legitimacy of the state, although the mode and means of such

accountability may vary among different societies depending on their sociohistorical backgrounds, political cultures, and ideological dispositions.¹⁰ However, public accountability at the national level remains ineffective, even unrealizable, without local-level accountability, because central government is too distant from the people, and it is at the local level where citizens have direct encounters with and can exercise control over government organizations. It is possible to find a positive correlation between the degree of decentralization and the significance of local-level accountability: the more authorities and responsibilities are decentralized to local government institutions, the more is the need for holding these local institutions accountable. For further understanding, the significance of local-level accountability can be explained in terms of its administrative, political, and economic dimensions.

First, in terms of *administrative significance*, although the central government has various agencies and programs to deliver goods and services, due to its physical distance from citizens, it is not fully aware of their actual needs that often vary from one community to another. This is common a problem in large countries, where it is not possible even through modern information and communication networks to inform the government of varieties of needs and problems faced by numerous local communities. Thus, it is quite difficult on the part of the central government to be responsive to such varying local needs and demands. In this regard, local institutions are in a better position to know the specific needs of local citizens and deliver appropriate (need-based) goods and services to them. It is this local knowledge and information possessed by local-level decision makers¹¹ that enable them to carry out programs and provide services with a higher degree of responsiveness. Thus, for administrative convenience and effectiveness, many government activities and programs--such as building rural infrastructure, ensuring law and order, managing local schools, distributing agricultural inputs, and maintaining sanitation facilities--have been transferred to local institutions in developing countries. With these increasing responsibilities assigned to local authorities, there is an added importance to the realization of their accountability: they should be held accountable for performing these functions efficiently, providing necessary services to local communities, and satisfying the needs and demands of diverse social groups. In brief, the proximity of local authorities to the people makes them more effective than the central government to deliver goods and services based on actual (local) needs, and as these local authorities undertake more expansive responsibilities of delivering services and addressing local problems, it becomes more essential to ensure their accountability.

In addition to these basic responsibilities carried out at local level, the massive development programs adopted by most developing countries need people's participation and human resource mobilization at the local level,¹² which constitute a basic task of local government institutions. However, in order to ascertain maximum initiatives and cooperation of local institutions to ensure peoples' participation and mobilization, it is necessary to make these institutions accountable for such a task. In other words, with the increasing developmental role of local institutions, there is a further need to maintain accountability of these institutions.

Second, in terms of *political significance*, local government institutions should be accountable for their various responsibilities that are political in nature. For instance, the distribution of goods and service by local government institutions is often politicized and monopolized by rural and urban elites,¹³ and thus, it is imperative that these local institutions are made accountable for a fair distribution of goods and services among various target groups such as landless and small farmers, underprivileged women, and ethnic minorities. This problem of local-level accountability emerges from an unequal local power structure¹⁴ in developing countries, which requires serious consideration. It is also important to examine whether local authorities are accountable predominantly to central government or local communities. Although it is expected that local institutions are accountable to local residents, in many cases, they may be responsive more to the policies and requirements of central government than to the concerns of local people, especially in countries where local institutions are bureaucratically controlled by the centre, where the ruling party creates political pressure on local institutions, and where there is strong alliance between the local and national political elites. In such cases, the maintenance of local-level accountability becomes highly critical.

Local-level accountability is politically significant to local residents, because they have more direct contact with, access to, and influence over the elected members of local institutions than the national-level political representatives such as parliamentarians, ministers, and prime ministers. In other words, in the case of local government institutions, people have a better opportunity to make these institutions directly accountable. In addition, since most developing countries are usually characterized by weak civil society and fragile and fragmented political systems, the process of exercising people's power to ensure local-level accountability can function as an effective means for political education and interest articulation, which in turn, may enable people to exercise their influence to make their national-level political leaders and institutions accountable. In short, for the masses, the lessons learned from the process of ensuring the accountability of local authorities can be helpful to pursue the accountability of central-government agencies and institutions. On the other hand, since most national leaders begin their political career at the local level, their habit of being accountable to local communities can be useful for their continuing commitment to public accountability at the national level.¹⁵

Lastly, in terms of *economic significance* of local-level accountability, it is necessary to ensure that the economic programs and responsibilities assumed by local authorities are properly carried out. Local authorities have various public sources of revenue, including local taxes, proceeds from goods and services, and government grants, for which they must be held accountable. Such accountability becomes more significant in countries where there is a considerable degree of financial decentralization, implying the devolution of certain revenue-raising authority and the transfer of government funds and economic programs to local government institutions, which require these institutions to be accountable to both the local tax payers and the central government. There are varieties of economic activities performed by local authorities, including utilities, infrastructure, low-cost housing, and market facilities, which involve financial transactions, and thus, require strict measures of accountability. It is because there is always a potential

for corruption in the process of raising and spending public money.¹⁶ Thus, local authorities dealing with public funds and assets have to be accountable for any abuse or waste of resources.

In addition, local authorities have to be accountable not only for the quality of services expected by local residents, but also for satisfying the diverse needs of various social groups or communities. In other words, the diversity of individual preferences has to be matched by the diversity of goods and services, and citizens have to be informed of such alternative packages of goods and services available.¹⁷ In addition, local authorities should be accountable for fair or equitable distribution of goods and services, which is often compromised in developing countries due to the dominance of affluent classes over the local government systems. In fact, the very objective of establishing decentralized local institutions in these countries is usually to ensure equitable distribution of benefits gained from various development activities.¹⁸ It is often not possible or desirable to exercise excessive fiscal control by central government over the autonomous local government institutions, and such autonomy makes it more important to ensure their fiscal accountability to the local electorate.

Despite the growing significance of local-level accountability, there are many socioeconomic and politico-administrative factors that often constrain the realization of such accountability. Although the intensity of these barriers to local accountability may vary from one country to another, there are certain common problems of such accountability in developing countries. These obstacles must be addressed and overcome in order to achieve an effective accountability system at the level of local institutions.

PROBLEMS OF LOCAL ACCOUNTABILITY IN DEVELOPING NATIONS

Irrespective of the levels (national and local) of public accountability, it is observed that in both developed and developing countries, the prevalent mechanisms of accountability have come under challenge and their effectiveness has diminished.¹⁹ The common concerns related to accountability include issues such as weak political institutions, excessive power of bureaucracy, people's dependence on government, and so on.²⁰ However, there are certain accountability problems that are more prevalent at the local level and more common in developing countries, and thus, require special attention or treatment. In this section, some of these major barriers to local-level accountability in developing countries are examined.

Unequal Local Power Structure

One of the most crucial obstacles to the realization of local-level accountability in developing countries is the prevalence of extreme inequality in local power structure, especially in rural areas. Many Asian, African, and Latin American countries are characterized by a feudal or semi-feudal structure of property ownership composed of the elitist landowning class, small farmers, and landless peasants. Although certain degree of capitalist development has occurred in

agricultural production, such development is usually subsumed by the vestiges of feudal structure. This feudalistic component in social structure reproduces the tendency towards a rigid power structure based on dependence and inequality. This unequal local power structure has considerable implications for local governance and its accountability. It is usually the powerful local elites who exercise influence over local government institutions and often uses these local institutions for their own benefits. Since the majority of rural people are powerless and dependent on local elite, they can hardly influence the decisions and activities of these local institutions. Thus, the accountability of local institutions often remains an accountability to the local elites rather than to the ordinary people such as the marginal and landless farmers.

In fact, it is mostly these rural elites who occupy the leading positions in local councils or committees. Even when local authorities are elected and autonomous bodies, it is usually the local elites who get elected. The landless and small farmers are not only financially incapable to run for local elections, they are also not in a position to challenge or compete with candidates from the landowning class on whom they often depend for livelihood. In other words, due to an extremely unequal structure of power and dependency in many developing societies, the influential local elites are more likely to get elected as the leading members of local authorities. Once elected, they tend to use local institutions for their own personal gains without much responsiveness to the dependent and powerless electorate. Thus, the adoption of an elected local government system may not guarantee the exercise of power by local residents, although it may legitimize (through election) the hegemonic power of the local elite.²¹ The unequal local power structure, thus, constrains the realization of local accountability to the people.

Overdeveloped Bureaucracy and Its Dominance

In developing countries, the colonial origin of bureaucracy makes it too advanced or "overdeveloped" in relation to the political and economic realms of society. It is simply because, under colonial rule, while political participation and economic entrepreneurship were stifled, the bureaucratic apparatus was modernized and empowered to enhance the process of colonial exploitation. After independence, instead of introducing fundamental change in postcolonial bureaucracy, the scope and power of such bureaucracy was expanded further as it assumed the role of enhancing socioeconomic development and undertook massive development activities. The power of bureaucracy has expanded further due to its modernization, technical expertise, coercive authority, and control over information and resources.²² As a result, bureaucracy is so overwhelmingly powerful that it is difficult to ensure bureaucratic accountability by the relatively weak and powerless political institutions such as parliament, political parties, and interest groups.²³ In fact, the bureaucracy (especially military bureaucracy) intervened in national politics and established control over these political institutions in many developing countries. Even the role of market forces has

been undermined by state bureaucracy in these countries.²⁴ This scenario of bureaucratic dominance exists at both the national and local levels.

At the local level, when there are no elected local government institutions, it is the bureaucracies of various central-government ministries or agencies which constitute local administration, often known as field administration. This situation is usually prevalent at the higher tiers of local administration in developing countries such as Indonesia and Thailand. In such a case of bureaucratic dominance over local institutions, there is no obligation for these institutions to be accountable to local residents, although they are answerable to the central government, especially in terms of the loyalty of field-level bureaucrats to their respective ministerial or departmental headquarters. In other instances such as Bangladesh and Pakistan, the members of local councils include both government bureaucrats and elected local representatives. Under this system of local governance, the primary concern is regarding the power-sharing between these two groups of local government members. However, due to the overwhelming power of government bureaucrats mentioned above, it is these bureaucrats who tend to dominate the local councils while the elected local representatives have to comply with bureaucratic decisions. In other words, although people may elect their representatives for local councils, due to bureaucratic dominance, these representatives have limited power to respond to the needs of local communities. Even when local councils are composed of only elected members, their capacity to address public demands is affected by resource constraints, and very often, they have to rely on financial and technical assistance provided by the field administration of central government. In short, although the degree of bureaucratic dominance over local institutions may vary, it remains a major barrier to the realization of their accountability, because often they cannot address local needs and concerns due to bureaucratic control over decisions and resources.

Alliance Between Local Elite and Bureaucracy

The aforementioned problem of local-level accountability caused by bureaucratic power and dominance is exacerbated further due to the formation of strong alliance between the field-level officials of central government and the local elites often elected as members of local councils. The blurred boundary between administration and politics that exists at the national level in many developing countries,²⁵ is also common at the local level. The field officers from various ministries and agencies face political pressure to carry out policies and programs in such a way that they benefit local elites usually at the expense of common local interests. Many of these local elites are likely to be members of the ruling political party and have access to higher state authorities. Thus, these field-level officers are less likely to take the risk of contradicting or challenging the interests of local elites and jeopardizing their own career. Thus, it has been suggested by some scholars that the affluent social elites often manipulate the bureaucracy to divert government programs in their favor, whereas the common masses do not have adequate knowledge about and access to the bureaucratic system.²⁶ The services provided by various field offices, including utilities, infrastructure, bank

loans, agricultural credits, irrigation facilities, and land tenancy, are directed towards the interests of local elites.²⁷ Briefly, even under a decentralized local government system, the dominant class, such as the local elites, pursues its interests at the expense of subordinate classes such as the rural poor.²⁸

In fact, the local-level bureaucrats themselves may find it more rewarding to work in favor of local elites, because by serving the particularistic interests of few elites rather than the common interests of the whole local community, these local bureaucrats have a better chance to gain financially through various unfair deals or corrupt reciprocal exchanges. These mutual interests strengthen and perpetuate the alliance between local elites and bureaucracy,²⁹ which poses a serious challenge to local-level accountability. First, the accountability of local-level government officials is not only directed towards their parent ministries or agencies at the national level (mentioned above) but also towards the affluent social elites at the local level, while their accountability to the poorer and relatively powerless local population remains weak or ineffective. Second, when the local elites themselves are elected as the leading members of local councils, they do not feel obligated to be accountable to the local public: it is not only due to their overwhelming power over the local population (discussed above), it is also because of their alliance with the local-level government officials who tend to overlook and often share their undesirable acts such as extortion, bribery, and nepotism. In other words, the strong alliance between local bureaucrats and local elites undermines their motivation to evaluate or check on each other in terms of their malpractices. Third, local accountability may become more problematic and questionable when local councils incorporate both groups--the local elites as elected or nominated members and government bureaucrats as appointed members. In such a situation, local government units are not under any pressure to be accountable to the local people who are too powerless to control or influence these local organizations representing the alliance of the two most powerful groups (local elites and local bureaucrats) at the local level.

Central-Local Relations Based on Dependency

Historically, developing countries did not have much concern for local institutions under colonial rule characterized by centralization, bureaucratic control, and high level of local-level dependence on the centre. The colonial tradition of limited autonomy and dependence of local institutions continued during the postcolonial period despite various administrative reforms for decentralization. First, there is a significant gap between the responsibilities assigned to local government institutions and the resources they have to realize such responsibilities, which perpetuates economic dependence of these local institutions on the centre. In many developing nations, under state-centered development programs, the degree of such local dependence has expanded further. In the name of administrative decentralization, an extensive amount of development programs has been transferred or assigned to local government institutions, although they do not have adequate financial means to carry them out.³⁰ The scope of responsibilities has also increased due to the rising demands and expectations of local people for goods and services from local government

institutions. These local institutions require sufficient financial resources and infrastructures to perform various development-related functions and to meet the needs and demands of local people. It is mainly because, in developing countries, the major sources of revenue (e.g. land and property tax, income tax, licenses and permits, profit-making enterprises, etc.) are often monopolized by the central government, and local institutions do not have adequate authority and means to raise revenue. They tend to overcome this gap between expansive responsibilities and limited resources by seeking help from the central government, which offer financial grants and infrastructural and technological supports. This resource dependence has serious implications for local-level accountability: local institutions have to show loyalty to the central government, which often compromises their responsiveness to local citizens.

Second, the accountability of local authorities is also constrained by their administrative dependence caused by an overcentralized decision process and the lack of skilled personnel in developing countries. This centralization of administrative decisions implies that local institutions have limited power to make decisions related to their own problems and activities, and they often have to wait for decisions to be made or approved by central government agencies. This administrative dependency is exacerbated further due to the scarcity of skilled human resource at the local level, especially, in countries with a low literacy rate. The central government attempts to resolve this personnel problem by posting a massive number of its bureaucratic officials to various regions, districts, and sub-districts, which ironically, leads to more bureaucratization of local governance. The main implication of this administrative dependence of local authorities on central government for decisions and personnel, once again, is that they have to maintain an adequate degree of loyalty to the central government while being indifferent towards their accountability to the local populace.

Third, there is also political dependence of local authorities on the ruling party, which limits their local public accountability to a great extent. In cases where a multi-party political system is relatively absent, and where the ruling party is not well known due to political instability and frequent changes in government, there is a tendency to create party networks all over the country by establishing a new set of local authorities. In such a situation, local government institutions usually represent the ruling party, their members are often party members, and they become local institutional means to legitimize the ruling party and enhance its power. For instance, in the case of Zambia, the representatives of the ruling party replaced the locally elected representatives in the early 1980s.³¹ In the case of Bangladesh, there have been changes in the local government system with changes in the regime, and historically, most of the regimes used local institutions to achieve their political objectives.³² Similar scenario can be observed in the case of Nigeria.³³ In Latin America, there are strong political ties between central and local governments.³⁴ Due to such extreme politicization of local authorities, they are accountable more to the ruling party than to the local masses.

Finally, there is dependence of local people themselves on field-level government agencies controlling the distribution of goods and services. Due to bureaucratic dominance over economic policies and programs, the poorer classes are extremely dependent on government agencies for employment, health care,

education, agricultural inputs, and other goods and services.³⁵ It has been pointed out that in Latin America, government bureaucracy mediates and regulates the interests of various classes and groups, and thereby, makes them dependent.³⁶ It is often the case that the poorer sections of the population do not have any choice but to depend on the field-level bureaucracies for varieties of goods and services, especially because, their own local institutions are financially incapable of serving such goods and services. Thus, while local people are highly concerned for drawing attention of the field-level agencies in order to acquire necessary goods and services, they are relatively indifferent towards accountability of the resource-poor local institutions. The root of such excessive public concern for government officials and indifference towards local institutions goes back to the colonial rule that perpetuated a form of master-servant relationship between bureaucrats and citizens.³⁷

Lack of Civil Society and Democratic Culture

In the ultimate analysis, the accountability of both national and local governments depend on the people's capacity to articulate and exercise power, which requires the existence of a vibrant civil society and strong democratic political culture. But in most developing societies, both of these prerequisites of people's power are relatively weak or absent. In general, civil society provides public space to facilitate rational and critical discourse, which is extremely essential to form critical public opinion regarding state policies and institutions, create organizational or associational bonds among citizens, enhance people's power to challenge the hegemony of central and local administration, and thus, make central and local authorities publicly accountable. In addition to the prevalence of colonial politico-administrative legacy that discourages the development of a strong civil society (including organizations, associations, and groups emerging independent of the state and ruling party), there still exist the remnants of feudalistic social relations based on parochial ethnic and family bonds, which constitute a barrier to the process of critical and reflective discourse and to the formation of human relations independent of family, racial, and ethnic bonds. In many developing countries, social relationships are often guided by a feudalistic form of patron-client relations.³⁸ According to Philip Mawhood, the common local culture in Asia is characterized by factors such as caste structure and status symbol, which often prevent common people from participating in civic activities.³⁹ In the context of a weak civil society, while the powerless common people are largely contented with the immediate family and ethnic concerns and preoccupied with patron-client issues, it is the state and its bureaucracy that remain most organized and powerful. Thus, in the absence of a viable civil society to empower people, the local government system is influenced by and accountable to the powerful central government (especially government bureaucracy) rather than the powerless local citizens.

Related to this absence of a dynamic civil society is the lack of a deep-rooted democratic political culture in most developing nations, which directly constrains the realization of accountability at both the national and local levels. At the national level, the political culture in many countries in Asia, West Africa,

Latin America, and the Middle East has been characterized by one-party dominance, unrepresentative legislatures, rigged elections, and bureaucratic authoritarianism.⁴⁰ In extreme cases, the bureaucratic-military oligarchy suspended elections, disbanded political parties, prohibited mass associations, and suppressed the free press.⁴¹ Such a lack of genuine democratic culture and institutions in these countries is certainly detrimental to the issue of public accountability. This relatively undemocratic political culture and its challenge to accountability at the national level usually trickle down to the local level. It is almost impossible to have an autonomous, representative, and accountable local government system under a centralized, repressive, undemocratic, and unaccountable regime. It is often the case that the mode and culture of local governance reflect the structure and political culture of central government. Corresponding to the absence of a strong democratic tradition at the national level, the political culture at the local level is characterized by loyalty, centralization, factionalism, and colonial mentality, which often persuade people to accept the dominance of government bureaucrats and local elites in managing local government institutions. Such a political atmosphere is not conducive to the development of critical consciousness among local people with regard to their basic political rights, and without such public consciousness it is difficult to make local institutions accountable to local communities.

CONCLUDING SUGGESTIONS

In the above discussion, the significance of local-level accountability and various modes or forms of such accountability have been examined. It has also been explained how the accountability of local government institutions is constrained by some major social, economic, political, and administrative realities in developing countries, including unequal local power structure, dominance of bureaucracy, alliance between bureaucracy and the local elite, central-local relations based on dependency, and lack of civil society and democratic political culture. At this stage, it is necessary to explore and suggest some alternative policy measures in order to rectify these adverse realities, and thereby, enhance local-level accountability.

First, it is essential to introduce measures to reduce bureaucratic power, debureaucratize local institutions, and establish a genuinely representative local government system. In order to curtail bureaucratic power, it is necessary to reduce the size and scope of state bureaucracy and diminish its excessive interventionist role, especially at the local level. In this regard, the recent policies of privatization and deregulation may have considerable implications for diminishing the scope and role of bureaucracy. But the problem with such policies is that although they may reduce the role of government bureaucracy, they expand the role and power of the private sector and corporate bureaucracy, which could be equally, if not more, problematic. It is because the transfer of state activities to the private sector is likely to expand corporate bureaucracy, which is usually biased towards the affluent local elites, and indifferent towards the concerns of the poorer section of the local population.⁴² In fact, corporate bureaucracy can be worse than public bureaucracy in terms of accountability,

because private enterprises do not have any obligations to the underprivileged citizens, and there is no effective mechanism (except government regulations) to ensure their accountability to the people. Thus, debureaucratization should involve a considerable reduction in the role and power of both government and corporate bureaucracies, and more active roles should be assigned to representative local institutions, which have more direct contact with the people, and thus, are more suitable for maintaining public accountability.⁴³ However, it is essential to ensure that these local government institutions consist of locally elected representatives and are relatively free from government bureaucracy, so that their accountability is predominantly to the local citizens rather than to the central government and its agencies.

Second, the transfer of authority and power from government and corporate bureaucracies to representative local institutions may still be ineffective to ensure local-level accountability because, as explained above, these local institutions themselves could be dominated by local elites as the leading elected members. In this regard, it is necessary to examine and restructure the bases of power held by local elites. Since the central basis of local elite power is often the unequal structure of land distribution,⁴⁴ it is imperative to adopt fundamental land reform, especially in countries dominated by a rural economy, and to introduce a more equitable pattern of landownership. The more equitable distribution of land would restructure the unequal rural power structure, reduce the power and dominance of local elites, weaken their influence over local bureaucracy, expand the power of common people to have greater command over local institutions, and thus, ensure a higher degree of local-level accountability.

Third, the above measures of replacing government bureaucrats by elected local representatives and reducing the power and dominance of local elites, however, may not adequately ensure the accountability of local institutions without expanding their financial power and autonomy. Even if these local institutions comprise of only elected local representatives and are free from the control of local elites, they may still remain dependent on the central government for financial resources due to their limited opportunities to raise or generate their own revenue. Because of this financial dependence, local institutions may not have any option but to comply with the terms and conditions attached to the grants and loans provided by the central government, and such compliance may compromise their accountability to local residents. Thus, local institutions should be authorized to levy local taxes, share tax revenues collected by central government, and invest in various business ventures. The financial strength of local institutions generated by such autonomy and power is likely to make them financially solvent and self-reliant, reduce their financial dependence on central government, enable them to carry out programs based on local needs, and oblige them to be accountable to the local taxpayers.

Fourth, all the above policy measures--including the replacement of government bureaucrats by elected local representatives, reduction in elite power through radical land reform, and expansion of financial autonomy and power at the local level--would not materialize on their own. These measures for achieving a greater degree of local accountability are less likely to be endorsed and adopted by the central government without sufficient public pressure. The emergence of such public pressure or demand for these policy measures related to

accountable local governance, depends on whether people have the opportunity and capability to pursue free public discourse, to develop critical public opinion, and to form their own associations independent of government intervention. This, in turn, requires the existence of an active civil society, a politically conscious or educated population, and a democratic political culture. These prerequisites are crucial for empowering local people, and it is this people's power which remains one of the most essential preconditions for realizing the accountability of local institutions to the local people.

PAPERS IN THIS RDD ISSUE

As discussed above, the pattern of local governance and the degree of local-level accountability are crucial in developing countries, especially for achieving socioeconomic development based on people's participation. People-centered development requires a participatory mode of local governance based on a decentralized structure of local government institutions. However, such a decentralized and participatory local government system may not be effective without ensuring its accountability to various sections of local population. In this regard, this current issue of *Regional Development Dialogue* (RDD) includes nine papers related to various dimensions of local governance and local accountability. In addition to some conceptual-theoretical papers on the topic, there are papers on specific country cases, including Japan, Bangladesh, Botswana, Ghana, India, Singapore, and the Philippines. These papers are presented under three major subthemes: (a) Governance, Intergovernmental Relations, and Accountability; (b) Local Government Reforms and Bureaucratic Accountability; and (c) Accountability for Service Quality.

Governance, Intergovernmental Relations, and Accountability

Under this subtheme, there are two papers. In the first paper, titled as "No Magic Wands: Accountability and Governance in Developing Countries", Charles Polidano and David Hulme present a general framework of public accountability (both administrative and political) by interrelating its various macro-contextual dimensions, including the democratization process, mode of governance, extent of public awareness, scope of civil society, and forms of non-government organizations (NGOs), with special reference to developing countries. The paper suggests that in most developing countries, the adoption of the so-called "new public management" has not been effective due to the problems of accountability, which could not be resolved through the process of democratization. Such democratization did not automatically lead to better governance, because institutional democratization was not complemented by corresponding changes in behavior and attitudes. One critical prerequisite for the effectiveness of democratization is the existence of a viable civil society that encompasses both associational and ascriptive groups. The paper pays special attention to NGOs in developing countries, including the mutual-benefit organizations (e.g. cooperatives, farmer associations) that are self-reliant and self-managed (by members themselves), and the public-benefit organizations (e.g. charities, trusts)

that are managed by selected office-holders, dependent on foreign aid, and favored by foreign donors. Realizing the limits of accountability and ineffectiveness of various accountability measures in developing countries, Polidano and Hulme conclude that despite the growing emphasis on various new approaches to accountability, there is no guarantee that these new approaches would not be equally disappointing as the previous ones.

The second paper, titled as "Intergovernmental Fiscal Relations and Local Government Accountability in Japan", is authored by Naohiko Jinno. In this paper, Jinno highlights the implications of revenue and expenditure structures for the nature of central-local relations and for the extent of local autonomy in Japan. The author explores the reasons for enacting the "Law to Promote Decentralization" by the Japanese Diet; examines the rationale behind writing a report, entitled "The Creation of a Decentralized Society", by a special committee; and explains the actual nature of decentralization in Japan. A brief historical analysis in the paper shows that Japan inherited a "centralized-deconcentrated" system from the second world war when the government introduced a highly centralized fiscal system, under which local authorities had very limited revenue-raising power. But due the recent economic globalization, the market economy has become borderless (because the state cannot control the mobility of capital across the nations), the fiscal capacity of central government has diminished (because government is no more effective to implement the corporate and individual income taxes), and there is an increasing need to transfer some of the basic fiscal powers and responsibilities to the subnational or local levels. The paper concludes that in addition to local autonomy for determining expenditures, it is necessary to have autonomy for raising revenues based on a "decentralized-deconcentrated" fiscal system, which would enhance citizens' participation and create an atmosphere of democratic society.

Local Government Reforms and Bureaucratic Accountability

This subtheme incorporates three papers. The first paper, entitled as "Local Government Reform and Accountability in Bangladesh: The Continuing Search for Legitimacy and Performance", is on local government in Bangladesh. Habib Zafarullah, the author of the paper, explains how the local government system in Bangladesh has always served the interests of various regimes despite frequent structural changes in the system. He provides an historical account of the evolution of local government in Bangladesh dominated by state bureaucracy, political parties, and local elites. Although the titles of various local government units changed (e.g., from Union Council to Union Parishad, from Thana Council to Upazila Parishad, and from District Council to District Parishad), and although new units such as Gram Sarker and Upazila Parishad were created and dismantled, the basic trust of the system had been central control based on bureaucratic dominance over these local institutions. However, based on a comparison among these local government organizations, the author seems to stress that certain improvements were made under the Upazila Parishad scheme, especially in terms of the increased power of the locally elected representatives. With regard to the accountability of local governance, the author identifies the

following obstacles: the dominance of central government bureaucracy in the composition of various local government units (especially at the higher level), central control over the appointment of key personnel and over decisions related to local projects and programs, politicization of local government by the regime in power, educational and informational inadequacies of local leaders to control professional bureaucrats, financial and resource dependence of local authorities on central government, limited autonomy of local government to raise revenue, and use of local political processes by the national-level political parties. The author concludes that in order to ensure local-level accountability, it is necessary to expand local autonomy, eradicate particularistic interests, make development policies based on local needs, and view accountability from a holistic rather than parochial perspective.

Keshav C. Sharma is the author of second paper titled as "Capacity, Autonomy and Accountability of Local Government in Local-Level Governance: The Case of Botswana." In his paper, Sharma attempts to explain the limits of local-level autonomy as the main barrier to the realization of local government accountability in Botswana. Although efforts have been made to facilitate decentralization and democratization, there is still a significant degree of structural, administrative, and financial controls exercised by the central government. He examines the structures and functions of local government units such as the District and Urban Councils, Land Boards, and Tribal Administration. In particular, the author finds that the District and Urban Councils are constrained by: financial problems such as the lack of adequate sources of revenue, human resource problems caused by the scarcity of skilled personnel, policy problems such as top-down rather than bottom-up approach, and problems of grassroots participation caused by inadequate decentralization. All these factors perpetuate the dependence of local government on the centre. In order to overcome these problems constraining the autonomy and accountability of local government, the author makes some recommendations related to local institutions, which include strategies to strengthen their human resource, expand their financial bases, and strengthen various means of accountability.

The final paper under this subtheme is authored by Joseph R.A. Ayee. In this paper, entitled as "Local Government Reform and Bureaucratic Accountability in Ghana", the author evaluates bureaucratic accountability in local governance based on four criteria, including the choice of levels, choice of decentralized authority, choice of task to decentralize, and choice of device used to decentralize. In terms of levels, he examines the hierarchical levels of local and regional governments in Ghana, such as the Regional Coordinating Committee (RCC), District Assemblies (DAs), Urban/Zonal/Town Councils, and Unit Committees (UCs). He critically evaluates the membership composition of these units to demonstrate how they have been dominated by central government bureaucracy. However, his main focus of analysis is on the DAs: each DA is not only dominated by bureaucracy as evident in the composition of its Executive Committee (EC) chaired by the government-appointed District Chief Executive (DCE), it is also evident in various mechanisms of central control over its revenue-raising process, its policy-making and planning, its resource allocation (related to both personnel and financial matters), and so on. These are some of the main factors which, according to Ayee, have created barriers to the realization

of accountability at the local level. However, the author concludes that in the context of Ghana characterized by weak political institutions, immature democratic tradition, and fragile national unity, there is a need for less ambitious decentralization programs that are more realizable in terms of providing genuine autonomy to the local level.

Accountability for Service Quality

Under this final subtheme, there are four papers. The paper of Samuel Paul and Sita Sekhar, entitled as "A Report on Public Services: A Comparative Analysis of Five Cities in India", attempts to evaluate the studies undertaken by the Public Affairs Centre (PAC) in order to facilitate the process of generating Report Cards on the performance of various public service agencies in India. The scope of these studies encompasses five major cities in India, including Ahmedabad, Bangalore, Calcutta, Madras, and Pune. The paper presents the findings under two major categories: one related to services provided to the general households, and another related to services provided to poor families. For both categories, the common criteria applied to evaluate public service agencies include the following: the importance of various services (e.g. telephone, electricity, water, health, police, postal service, public transport) to the citizens, level of citizens' satisfaction with the service-providing agencies, frequency of speed-money paid by citizens to get services, willingness of citizens to pay extra money to receive better services, and impact of these report-card studies on the behavior of service providers. From this evaluation of the PAC studies, Paul and Sekhar conclude that the level of public satisfaction with the performance of public agencies is uniformly low, although the level varies from one city to another in India. The authors also observe that there is all-pervasive corruption in government agencies, that the costs of available public services become high due to such corruption (speed money) and other factors such as delay, and that a significant number of citizens are willing to pay more for better services. The major point emphasized in this paper is that the impact of "report card" technique on the performance of public agencies is favorable in terms of making them more efficient, responsive, and accountable. In India, there has been increasing attraction to such a technique among various public agencies, non-government organizations, and top political leaders whose common concern is to improve the quality of services.

The second paper, "Accountability for Quality Services in Singapore: A Case Study of Town Councils", is written by Ooi Giok-Ling. This paper deals with the quality of services provided to public housing estates by the Town Councils (TCs) in Singapore. The paper begins with a brief description of the emergence of the TCs followed by an analysis of their activities related to public housing vis-a-vis the similar activities performed by the Housing and Development Board (HDB). The paper also explains the role of the TCs to ensure residents' participation in managing their public housing estates. It provides a detailed account of the organizational structures, functions, and powers of the TCs as stipulated in the Town Council Act of 1988. The author also highlights the political nature of the TCs, especially due to the presence of the Members of Parliament (MPs) as the chairpersons or leading members of the TCs. In her

conclusion, Ooi stresses that as voters, the residents of public housing estates also remain responsible for electing suitable MPs who, as the chairpersons/members of the TCs, would determine the quality of management services received by residents in these housing estates.

The author of the third paper is Emil P. Bolongaita, Jr. In this paper, titled as "Total Quality Governance (TQG): The Citizen as Customer", Bolongaita emphasizes the need for adopting the principle of "citizen as customer" in the public sector, because it is mainly the customer's satisfaction that accounted for the corporate success in the private sector. The explains why the public sector is reluctant to treat citizens as customers: government agencies receive funds from the legislature rather than directly from the people, and thus, they tend to please top bosses rather than citizens; government agencies are monopolies, they do not face much competition and pressure to be efficient and responsive; governments are replaced only through election, and thus, inbetween elections, there is no serious concerns for efficiency and innovation; and the people are used to the poor performance of government, they do not complain against public-sector incompetence. The author cites examples of how the customer-driven systems have been adopted by American local government agencies, how the Public Affairs Center in India has evaluated and ranked the performance of various public agencies in terms of citizens' satisfaction, and how there is an emerging trend in the Philippines to adopt a mode of governance based on the citizen-customer principle. The paper pays special attention to the case of Makati City, where the so-called technique of Total Quality Governance (TQG) based on citizen-customer feedback, has been applied to measure the performance of local government offices in delivering goods and services. The author concludes that the customer-feedback surveys used in the private sector should be applied to public organizations such as local governments in order to improve their service delivery in terms of timeliness, courtesy, responsiveness, and availability.

The final paper, titled as "Commitment Quality Management," is authored by Arne Svensson. In this paper, the author examines the implications of various modes of management practiced in the public sector, especially for governance at the local level. The paper highlights the significance of a decentralized local government system for providing social services and enhancing the democratic process. However, the author's primary concerns are related to managerial issues: how to provide quality services, ensure customer's satisfaction, and balance the interests of different stakeholders. In this regard, after describing some major management techniques such as Total Quality Management (TQM), Management by Objectives (MBO), and Management by Result (MBR), the author proposes a new technique known as Commitment Quality Management (CQM). It is explained that CQM has the advantage of focusing on quality work related to "specific" organizational units, and at the same time, it tends to combine the values, goals, and requirements of both TQM and MBR. In conclusion, the paper mentions that there is an increasing need in the public sector to synthesize the interests of customers, employees, and tax payers, which requires a flexible and decentralized strategy of management like CQM.

NOTES

¹See E.N. Ekekwe, "Public Administration, Development and Imperialism," African Review, 7 (3-4:1977):47-58; J.W. Hopkins, "Evolution and Revolution: Enduring Patterns and the Transformation of Latin American Bureaucracy" in A. Farazmand, ed., Handbook of Comparative and Development Public Administration (New York: Marcel Dekker, 1991), pp.697-707; and M. Shamsul Haque, "The Emerging Challenges to Bureaucratic Accountability: A Critical Perspective" in A. Farazmand, ed., Handbook of Bureaucracy (New York: Marcel Dekker, Inc., 1994), pp.265-286.

²It has been emphasized that in Asian and African countries, it is imperative to ensure that bureaucrats are accountable to elected local representatives and these representatives are accountable to local citizens. See James Manor, "Democratic Decentralization in Africa and Asia," IDS Bulletin 26 (2:1995):81-88.

³In general, the loyalty of local authorities to the central government implies the centralized nature of the overall governance. In many instances, the responsibilities assigned to local authorities by the central government may not reflect local needs and expectations. In such a centralized system, local authorities often have to compromise local concerns in order to carry out programs imposed on them by the central government.

⁴For details, see J.D. Sethi, "Bureaucracy and Accountability," Indian Journal of Public Administration, 29 (3:1983):527-528; O.P. Dwivedi and Joseph G. Jabbra, "Public Service Responsibility and Accountability" in Joseph G. Jabbra and O.P. Dwivedi, eds., Public Service Accountability: A Comparative Perspective (Connecticut: Kumarian Press, 1988), p.5; Thomas B. Smith, "The Comparative Analysis of Bureaucratic Accountability," Asian Journal of Public Administration, 13 (1:1991):97; Shriram Maheshwari, "Administrative Reforms: Towards Theory-Building," Indian Journal of Public Administration, 31 (3:1985):487-513; and Haque, "The Emerging Challenges to Bureaucratic Accountability."

⁵B.C. Smith, Decentralization: The Territorial Dimension of the State (London: George Allen and Unwin, 1985); Norman Uphoff, "Local Institutions and Decentralization for Development" in Hasnat Abdul Hye, ed., Decentralization, Local Government Institutions and Resource Mobilization (Comilla, Bangladesh: Bangladesh Academy for Rural Development, 1985), pp.43-78; and Dennis A. Rondinelli, "Implementing Decentralization Programmes in Asia: A Comparative Analysis," Public Administration and Development, 3 (3:1983):181-207.

⁶Norman Uphoff, "Local Institutions and Decentralization for Development", pp.54-56.

⁷Ibid., pp.55-56.

⁸Ibid., p.49.

⁹See M.A. Muttalib and M.A. Ali Khan, Theory of Local Government (New Delhi: Sterling Publishers, 1982), pp.53-54; and Samuel Humes and Eileen Martin, The Structure of Local Government (Hague: International Union of Local Authorities, 1961).

¹⁰See Haque, "The Emerging Challenges to Bureaucratic Accountability."

¹¹Smith, Decentralization: The Territorial Dimension of the State.

¹²Lawrence S. Graham, "Centralization versus Decentralization Dilemmas in the Administration of Public Service," International Review of Administrative Sciences, 46 (3:1980).

¹³According to B.C. Smith, in the case of capitalist system, "Far from guaranteeing political equality, local institutions may be accused of perpetuating the maldistribution of rewards and influence that characterises capitalist society generally." see Smith, Decentralization: The Territorial Dimension of the State, p.5.

¹⁴In this regard, Smith mentions that the liberal view of local government and local politics often ignores the reality of local privileges and exploitation, structural conflicts in society, and unequal local power structure. Ibid.

¹⁵It has been emphasized by various scholars that the local-level training of leadership can be useful for developing political leadership at the national level. Ibid., pp.20-23.

¹⁶Such corruption communitied by local administration has been highlighted by B.S. Khanna and S. Bhatnagar in the case of India. See B.S. Khanna and S. Bhatnagar, "India" in Donald C. Rowat, ed., International Handbook on Local Government Reorganization (Connecticut: Greenwood Press, 1980), pp.442, 444.

¹⁷Ibid., p.31.

¹⁸Rondinelli, "Implementing Decentralization Programmes in Asia," p.185.

¹⁹Peter Harris, Foundations of Public Administration: A Comparative Approach (Hong Kong: Hong Kong University Press, 1990); Michael G. O'Loughlin, "What is Bureaucratic Accountability and How Can We Measure It?" Administration and Society, 22 (3:1990):275-302; V. Subramaniam, "Public Accountability: Context, Career and Confusions of a Concept," Indian Journal of Public Administration, 29 (3:1983):446-456; and Haque, "The Emerging Challenges to Bureaucratic Accountability."

²⁰Haque, "The Emerging Challenges to Bureaucratic Accountability"; V. Subramaniam, "Public Accountability"; Asok Mukhopadhyay, "Administrative Accountability: A Conceptual Analysis," Indian Journal of Public Administration 29 (3:1983):473-487.

²¹It has been observed that decentralization, in fact, may perpetuate inequalities between various social groups. See Diana Conyers, "Decentralization: A Framework for Discussion" in Hasnat Abdul Hye, ed., Decentralization, Local Government Institutions and Resource Mobilisation (Comilla, Bangladesh: Bangladesh Academy for Rural Development, 1985), p.40.

²²It has been pointed out that the use of expert knowledge and specialized techniques has increased the power of bureaucratic experts. See Peters, B. Guy, The Politics of Bureaucracy, 2nd edition (New York: Longman Inc., 1984); Hal G. Rainey and Robert W. Backoff, "Professionals in Public Organizations: Organizational Environments and Incentives," American Review of Public Administration, 16 (4:1982):319-336; V. Jagannadham, "Public Administration and the Citizen: How far Public Administration can be Public," Indian Journal of Public Administration, 24 (2:1978):355-373; and O'Loughlin, "What is Bureaucratic Accountability and How Can We Measure It?"

²³see Harold Crouch, "The Military and Politics in South-East Asia" in Zakaria Haji Ahmed and Harold Crouch, eds., Military-Civilian Relations in South-East Asia (Singapore: Oxford University Press, 1985), p.311; Fred W. Riggs, "Bureaucrats and Political Development: A Paradoxical View" in Jason L. Finkle and Richard W. Gable, eds., Political Development and Social Change, 2nd edition (New York: John Wiley and Sons, 1971), pp.331-351; and Peters, B. Guy, The Politics of Bureaucracy, pp.56-57.

²⁴For example, in most Latin American countries, private capital and market forces have often been dependent on and constrained by state bureaucracy. See H. Fuhr, "The Missing Link in Structural Adjustment Policies: The Politico-Institutional Dimension" in R.B. Jain and H. Bongartz, eds., Structural

Adjustment, Public Policy and Bureaucracy in Developing Societies (New Delhi: Har-Anand Publications, 1994), pp.93-132.

²⁵It is true that most developing countries have adopted an administrative framework based on the principle of political neutrality, but in reality, the line between politics and administration in these countries has been considered "inherently blurred." R.W. Ryan, "Bureaucrats, Politics and Development Strategies," International Journal of Public Administration, 10 (1:1987):77-89.

²⁶See B.C. Smith, Decentralization: The Territorial Dimension of the State; B.C. Smith, "Access to Administrative Agencies: A Problem of Administrative Law or Social Structure?" International Review of Administrative Sciences, 52 (1:1986):17-25; B. Schaffer, "Administrative Legacies and Links in the Post-Colonial State: Preparation, Training and Administrative Reform," Development and Change, 9(2:1978):175-200; D.C. Martin, "The Cultural Dimensions of Governance" in World Bank, ed., Proceedings of the World Bank Annual Conference on Development Economics (Washington, D.C.: IBRD, 1991), pp.325-341; M. S. Grindle and J. W. Thomas, Public Choices and Policy Change: The Political Economy of Reform in Developing Countries (Baltimore: Johns Hopkins University Press, 1991).

²⁷It has been pointed out that state bureaucracy has played crucial role in transferring wealth and services from common people to local elites, which has worsened the situation of poverty in many developing countries. See L.M. Briones, "The Relationship of Public Enterprises with the National Government in the Philippines," Public Enterprise, 5 (4:1985):401-412; and L.M. Briones, "The Role of Government-Owned or Controlled Corporations in Development," Philippine Journal of Public Administration, 19 (4:1985):365-391.

²⁸In this regard, Smith mentions that decentralization should be considered as "part of the process by which dominant classes, including those at the local level, articulate their interests through state policies and institutions." Smith, Decentralization: The Territorial Dimension of the State, pp.25-26.

²⁹In the case of Bangladesh, such a bureaucracy-elite alliance has been critically examined by McCarthy and Feldman. See Florence E. McCarthy and Shelley Feldman, "Administrative Reforms in Bangladesh: Incorporation or Democratization?" International-Journal-of-Contemporary-Sociology, 24 (3-4:1987):99-111.

³⁰According to Phang Siew Nooi, in countries such as Malaysia, Nigeria, Sudan, and Zambia, although many government functions have been decentralized to local governments, there has not been any significant increase in local government power to carry out these functions. See Phang Siew Nooi,

"Local Government Reform: A Comparative Study of Selected Countries in Africa and Asia," Planning and Administration, 14 (1:1987).

³¹See Conyers, "Decentralization: A Framework for Discussion", p.25.

³²See Harry W. Blair, "Participation, Public Policy, Political Economy and Development in Rural Bangladesh, 1958-85," World Development, 13 (12:1985); and Nizam Ahmed, "Experiments in Local Government Reform in Bangladesh," Asian Survey, 28 (8:1988).

³³See William Graf, "Nigerian 'Grassroots' Politics: Local Government, Traditional Rule and Class Domination," Journal of Commonwealth and Comparative Politics, 24 (2:1986):99-130.

³⁴Diogo Lordello De Mello, "Local Government and National Development Strategies: A Latin American Perspective," Planning and Administration, 9 (1:1982):18.

³⁵S.G. Bunker, "Dependency, Inequality, and Development Policy: A Case from Bugisu, Uganda," British Journal of Sociology, 34 (2:1983):182-207; A.B. Durning, "Ending Poverty" in Worldwatch Institute (ed.) State of the World, 1990 (New York: W.W. Norton & Company, 1990), pp.135-153; and Smith, "Access to Administrative Agencies."

³⁶M. Kaplan, "Recent Trends of the Nation-State in Contemporary Latin America" International Political Science Review, 6(1:1985):92.

³⁷Donald W. Attwood, Thomas C. Bruneau, and John G. Galaty, "Introduction" in Donald W. Attwood, Thomas C. Bruneau, and John G. Galaty, ed., Power and Poverty: Development and Development Projects in the Third World (Boulder, Colorado: Westview Press, 1988), p.2; and Krishna Mohan Mathur, "Value System in Administration," Indian Journal of Public Administration, 32 (1:1986):139.

³⁸In the case of Latin America, it has been observed by Medhurst and Pearce that the political atmosphere in the region is largely characterized by patron-client relations or *personalismo*. See K.N. Medhurst and J. Pearce, "Central and Southern America" in D. Englefield and G. Drewry, eds., Information Sources in Politics and Political Science: A Survey Worldwide (London: Butterworth & Co., 1984), pp.287-309.

³⁹See Philip Mawhood, "Decentralization and the Third World in the 1980s," Planning and Administration, 14 (1:1987):18.

⁴⁰See F. Vivekananda and I. James, "Militarism and the Crisis of Democracy in Africa 1980-85" Scandinavian Journal of Development Alternatives, 9 (4:1990):79-91; O.P. Dwivedi and J. Nef, "Crises and Continuities in Development Theory and Administration: First and Third World Perspectives" Public Administration and Development, 2 (1:1982):59-77; and J. Bandyopadhyaya, The poverty of nations: A global perspective of mass poverty in the Third World (New Delhi: Allied Publishers Private Ltd., 1988).

⁴¹See L. Adamolekun, Politics and Administration in Nigeria (Ibadan, Nigeria: Spectrum Books Limited, 1986); H.K. Asmerom, "Ideology, Politics and the Emerging Shape of State Bureaucracy in Kenya, Tanzania and Zambia" in R.B. Jain (ed.) Bureaucratic Politics in the Third World (New Delhi: Gitanjali Publishing House, 1989); J. Nef, "Policy Developments and Administrative Changes in Latin America" in O.P. Dwivedi and K.M. Henderson, eds., Public Administration in World Perspective (Ames, Iowa: Iowa State University Press, 1990); and H.E. Schamis, "Reconceptualizing Latin American Authoritarianism in the 1970s: From Bureaucratic-Authoritarianism to Neoconservatism" Comparative Politics, 23 (2:1991).

⁴²See M. Shamsul Haque, "Public Service Under Challenge in the Age of Privatization," Governance, 9 (2:1996):186-216.

⁴³As Hubert Allen mentions, in the case of representative local bodies, "The people themselves become concerned about what is being done with their tax money and how it is being administered." See Hubert Allen, "Decentralization for Development: A Point of View," Planning and Administration, 14 (1:1987):24.

⁴⁴Smith mentions that in general, those who hold economic power at the local level are also likely to establish control over local institutions to perpetuate their privileges. See Smith, Decentralization: The Territorial Dimension of the State, p.25.