

# **Governance through decentralisation and policy implication**

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## **Abstract**

Governance has not been fully entrenched in Africa so too is the process of decentralisation. In many cases, the lack of these two elements in the management of public affairs in Africa has always been problematic. Governance take into account good practices for service delivery while decentralisation is the transfer of power from upper to lower level of government for the benefit of all. This paper set out to explore how and why decentralisation policy failed to stimulate local economic development in Africa. Inefficiency in the current research refers to the local authorities' inability to stimulate local economic development. Poor service delivery refers to the lack of institutional processes and practices to support the provision of services to the targeted stakeholders within a specified time period. The argument is that, decentralisation failed to stimulate local economic development in Africa because of lack of Capacity, mismanagement and corruption. The paper is divided into five major parts. It starts by introducing the study followed by a critical theoretical framework presenting different forms of decentralisation, the third part provides a comprehensive explanation of the usefulness of devolution for administrative decision making processes, while the fourth part set the tone by proposing a set of recommendations for future research in this area. The third part provides a comprehensive conclusion,

**Key Words:** decentralisation policy, local economic development, local authorities, mismanagement, corruption

## **1-Introduction**

As Edoun (2015) put it, the creation and strengthening of credible institutions is instrumental for any development initiative. Once these institutions are put in place, transparency and accountability become the tools for good governance to achieve socio-economic development. Decentralisation is used as a policy instrument to bring government closer to people so that local economic development could be achieved through education and training, access to basic needs such as water and electricity, the maintenance of public infrastructures. This study asserts that, the case for decentralisation is in fact, made on a number of grounds. First, local authorities tend to act more in line

with local preferences and conditions, and their response to local needs is more expeditious.

Decentralisation provides opportunities to marginalised sectors of the community, like women in some countries, minorities etc., to participate at the local level, enabling a more sensitive approach to policy formulation and implementation. However, this research argues that Arica is not capitalising on the advantages presented by decentralisation to stimulate LED as corruption and maladministration undermined this policy that has spearheaded successes in other countries in the world.

Also, in line with the above comments, decentralisation policy tends to enhance transparency and accountability, the amount of money wrongfully diverted away from development often declines. Similarly, Henry (2007) who supports the above argument inferred, that decentralisation increases effectiveness in service delivery, like reducing absenteeism among government employees for instance in local schools and health clinics because elected officials receive complaints from their constituents and can improve discipline. Henry (2007) further argues that, decentralisation provides bureaucrats with early warnings of potential disasters, enabling quick remedial action. He contends that, decentralisation makes development projects more sustainable and cost effective because local people are more likely to be involved in their design, execution, and monitoring. (UCLGA, 2004) argued that decentralisation encourages communities to find solutions to their everyday problems, yielding innovative ideas, which are more attuned to local conditions.

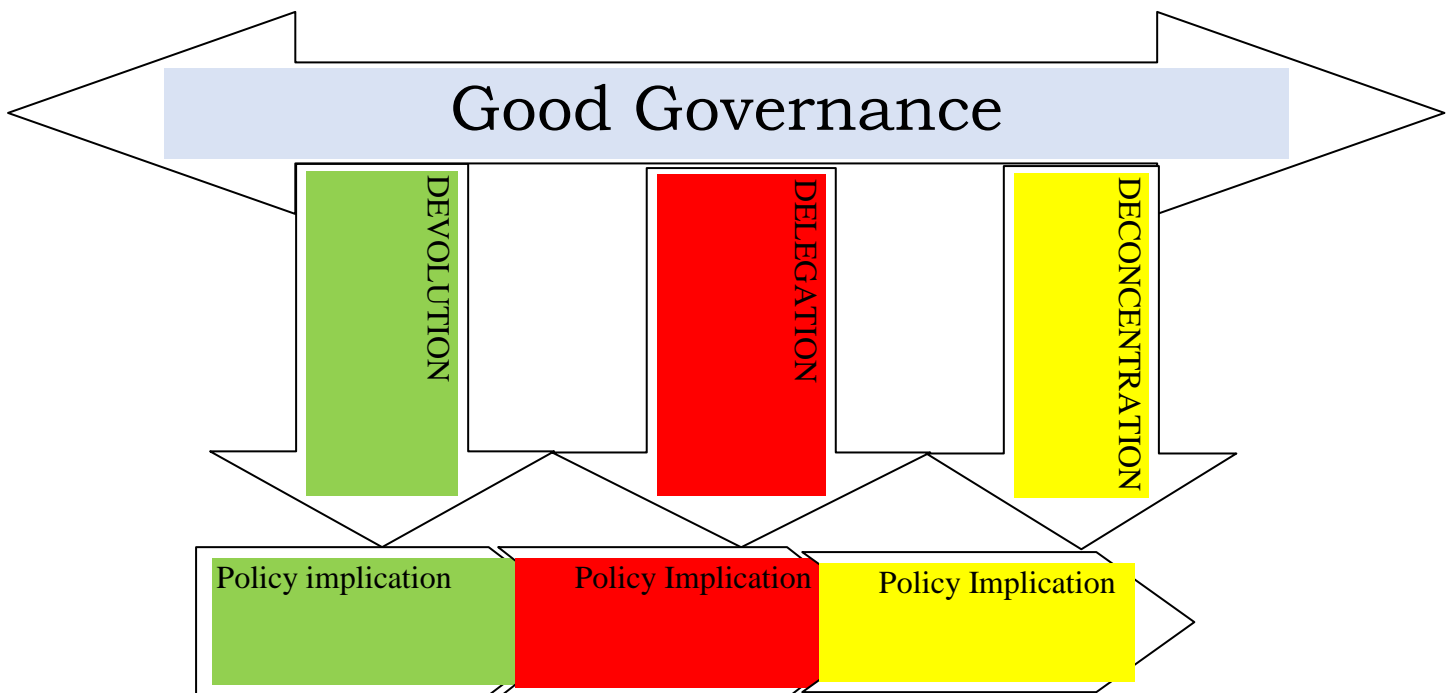
Similarly this research maintains that, decentralisation provides opportunities for poor people, including the under-represented groups (like women in some

countries, the poor, minorities etc.) to participate in decisions that affect their lives. The same thing was expected to happen in Africa but the decentralisation framework in many African many African countries is not conducive to LED because of the lack of capacity and inadequate institutions to strengthen decentralisation.

For instance, the role of Regions in Africa should be related to the implementation of policy while national government's role should revolve around the development of policy in particular the formulation of norms and standard in a range of areas such as education and health, the major sectors in terms of funding and the empowerment of human resources.

Also, the way in which fiscal decentralisation has been designed in some African countries poses fundamental challenges to the effective implementation of the national government policy. For instance it is argued, while the central government departments and ministries formulate national policy related to education, health mines, transport etc, they have too much influence over the resources that are direct to regional and local level. This is because funding flows from the centre to the regions and local level in form of conditional grants. Regional and local governments have not autonomy to distribute these funds between various function without reporting to the government delegate who is liaising directly with the presidency. This distribution may not necessarily be in line with the objectives of the national government.

## 2. Theoretical Framework (Linkage of Good Governance and Decentralisation Policy)



Source: Author's Model (E.I Edoun, 2016)

The current study holds that, the disconnection between policy formulation and implementation linked to funding possibly poses the greatest challenge to service delivery at local level which in turn blocks local economic development in African countries. The above argument is relevant to the current study as it brings clarity on why decentralisation failed to stimulate local economic development in African countries.

As Nlep (1986) asserted, accountability is a backbone for any development initiative. He argues that, when there is accountability, this reflects transparency. Transparency and accountability being fundamental to democracy, they have direct impact on LED. For instance through participation, local citizens become involved in decision-making process that involves the creation of project such as the Multipurpose Community Centres to empower local communities.

Nonetheless, by retaining decentralisation policy as the best option to promote LED, among different form on decentralisation, this study has chosen devolution theory as a frame to support local economic development initiative. This, partly because traditional centralised governments are unable to address different problems that occur at the local level and new systems are needed. To solve local problems, new systems of government were called to become more decentralised and make increasing use of civil society and the private sector. This study selected three major forms of decentralisation through which responsibility may be transferred from a centralised body to lower levels of government:

Conventional definitions assert that, when only responsibility or authority is transferred, but not resources or local accountability, this is referred to as **de-concentration**. When responsibility, authority and resources are transferred, but accountability still resides in the centre, there is **delegation**. When there is transfer by law and other formal actions, of responsibility, resources, and accountability, this is viewed as **devolution** (Smith, 1985); (Adamolekun, 1999). Devolution transfers responsibility from higher to lower levels of government. However, this study revealed that, delegation is the form of decentralisation that is practiced in many countries in Africa as governments

thrive to retain power in the center. Under this form of administration, the study argues that, local authorities do not possess enough power to act freely.

For instance, in Cameroon, a government delegate appointed by the central government serves as the interface between local authorities and national government. The shortcomings of delegation in the context of Cameroon are immensely disastrous. They pave way to corruption in Cameroon, since appointed delegates are not accountable to local authorities in a sustainable manner, they misused state funds and projects end up lacking the necessary funding. Beside the efforts deployed by the Cameroon government, urbanisation in Cameroon is not up to date because of corruption. As a result therefore, many high profile civil servants are languishing in jail for embezzlement of funds that were meant to funds structuring projects in that country (Edoun, 2011). This situation strongly encouraged the current study to rather propose devolution than the delegation of power that create a number of loopholes for corrupted criminal activities that have a negative effect on socio economic development.

### **3. The usefulness of devolution for administrative decision making processes**

The current study found devolution as a better form of decentralisation because it is more reliable (Smoke, 2003). Olowu and Wunsch (2004) support the above declaration and argued that, only devolution can be viewed as a good form of decentralisation because it creates an efficient and reliable administration, intensifies and improves local development, better ensures the rights of the local population to have a voice in government, and better protects minorities. Reddy (1996) is rather cautious and posits that, for

decentralisation to be effective, local governments need to have a certain security in their existence, sufficient resources, and autonomy. Their actions must be credible and transparent, and they must cultivate fair relationships with higher authorities.

Of importance to this study is the fact that devolution seems to encourage innovation through decentralisation policy which has the societal function to allow society to achieve at local level the goals of poverty reduction through sustainable development. For instance, sustainable development at local level is achieved through a combination of mechanisms that include among others, social aspiration, government authority, social-cultural authority, social know-how.

This study argues that devolution seems to encourage innovation through decentralisation policy which has the societal function to allow society to achieve at local level the goals of poverty reduction through sustainable development. By using devolution theory thus, the study contends that sustainable local economic development at local level is achieved through a combination of mechanisms that include: Social aspiration, Government authority, Social-cultural authority and Social Know

#### **4- Recommendations**

Good governance on the local level is considered as an institutional system for managing local public affairs, characterized by three critical dimensions

related to the performance of local authorities, the participation of organised citizens in decision-making at local level and partnership between local authorities, civil society organisations and private sector for the provision and production of local good and services

This study found that, new regulations have reviewed the role and powers of authorities over local entities in Africa. Devolved powers on the subject of local economic development entail an adaptation of the relationships of de-concentrated government ministries with local authorities. Oyono (2004) argues that, with decentralisation laws of 2004 in Cameroon, local authorities should be endowed with legal personality and administrative autonomy by law. Local officials should not only be accountable to the electorate but to the Chief Executive of the state too. The latter can dismiss an elected official for embezzlement (article 95(1) Orientation law). Each local authority should have two organs, one deliberative and the other executive. Local authorities should be empowered to undertake decentralised cooperation and form unions of councils (article 131 Orientation law).

These proposed recommendations are to shed light on how democratic decisions could contribute to best practices that are the backbone for any development initiative. For the purpose of this study, best practices are a condition for any development initiative. Even though a decentralisation framework does exist in Cameroon, the results from the respondents show that, this framework is not conducive to local economic development. The reasons can be two folds, either there is lack of capacity to effectively implement decentralisation policy or there is a vacuum in the legislation. This is what led the current study to investigate the reasons for decentralisation inability to stimulate LED in the city under study (The City of Douala).



To propose solution to the problem and add value to proposed recommendations, Cheka (2007) argues that, Cameroon should put in place a process where local governments are accountable or answerable to the citizens. This process should involve citizen participation. Also, appropriate mechanisms and laws such as monitoring and evaluation should be put in place to avoid any form of mismanagement that could undermine development initiative.

Decentralisation requires co-ordination between levels of government and more regulation not less to ensure basic transparency, accountability and representation. This study proposes that, while vertical decentralisation requires shifts in central government policy, laws as well as institutional and structural arrangements to provide for the sharing of powers, authority functions and resources to enable local governments to perform fully, horizontal decentralisation may take place without necessarily making adjustments in the laws. However it requires determined mobilisation and organisation of local communities to participate fully in the planning and implementation of socio-economic activities that are aimed at strengthening their capacity to determine and enjoy their livelihood.

Equally, the current study asserts that, it is always of great use to engineer efforts of decentralisation on the two planes involving all stakeholders: horizontal decentralisation will empower local communities and, vertical decentralisation will create conducive structural arrangements and transfer of powers, functions, responsibilities and resources that will supplement the empowerment created by vertical decentralisation.

## 5. Conclusions

This study argues that , governance comprises mechanisms, processes and institutions through which collective decisions are made and implemented, citizens, groups and communities pursue their visions, articulate their interests, exercise their legal rights, meet their obligations and mediate their differences. It therefore emphasizes the nature and quality of interactions among social actors and between social actors and the state. Local and economic development (LED), as defined by the World Bank (2001) is a process in which local and regional governments co-operate with the public and business sector as well as with the civil society with the aim to facilitate better conditions for the economic growth and the creation of employment. It offers local and regional government, the private sector, the non-profit sectors and the local community the opportunity to mutually cooperate in order to improve the local economy. LED encompasses many different disciplines, such as planning, economics, and marketing. It also encompasses many local and regional government and private sector functions including planning, infrastructure provision, real estate development and finance. Good governance on the local level is considered as an institutional system for managing local public affairs, characterized by three critical dimensions related to the performance of local authorities, the participation of organised citizens in decision-making at local level and partnership between local authorities, civil society organisations and private sector for the provision and production of local good and services

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