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UNITED STATES GOVERNMENT

memorandum

FD-ANV-352

DATE: April 1, 1987

REPLY TO
ATTN OF:

Olivier Carduner / David E. Warner, PD&E

SUBJECT: Report by Harry Blair on Government Decentralization in Bangladesh.

TO: See Distribution:

Thru: Bonnie Foundy, DIR(A)

*-no report #
about GNE decentralized
for ...*

Attached for your information is a final copy of Professor Harry Blair's report based on a two week TDY last January. The report reviews the prospects for establishment of representative government at the district level, discusses current problem areas vis-a-vis some of the mission's projects and identifies potential opportunities and constraints for future USAID funded activities operating at local government levels.

Concerning revival of district governments, we already have an information update. At the time the report was drafted, it was expected that legislation creating representative governments at the district level would be presented to parliament for formal debate and approval. As it turned out, the parliamentary session was prorogued on March 25th without formal discussion of the new legislation. Some government officials expect that the President will sign the legislation into law by administrative decree, leaving parliament with the task of approving it, after the fact, during the next session which is planned for May or June. Parliamentary officials who were recently contacted feel however, that the President is unlikely to issue a decree until late summer or fall. While it was not formally presented in parliament, the draft legislation generated significant behind the scenes negotiations between the government, Members of Parliament, and Upazila Chairmen over the question of power sharing between MPs and Upazila Chairmen. This process has resulted in increased efforts by the Upazila Chairmen Association to protect the authorities and autonomy granted to Upazilas in the 1982 Local Government Ordinance.

In a related development, Upazila Chairman are being increasingly insistent that donor funded projects involving "transferred subjects" be implemented in a manner consistent with the Local Government Ordinance. For example, a group of Upazila Chairmen recently met with the Minister of Education to complain that a World Bank-funded project to build primary schools was improperly issuing construction contracts from the Education Ministry in Dhaka rather than the Upazilas and was supervised by ministry staff who are not accountable to elected

Upazila officials. The Chairmen demanded that the Local Government Ordinance be followed by transferring responsibility for implementation to the Upazilas (see cover story in March 25th Bangladesh Observer).

USAID could face similar challenges in the future on the Tittle III Bridges and Culverts Program and the Family Planning Programs. Components of these programs involve "transferred subjects" but place the locus of control and responsibility outside the Upazilas. The term "transferred subjects" refers to development activities which by law have been transferred from central government jurisdiction to Upazila governments. These activities include rural infrastructure, agricultural extension and input supply services, irrigation, health and family planning, and primary education among others. The purpose of Professor Blair's report is to provide more information and analysis of the decentralization process so that we and other donors may better plan for projects which involve such activities. The report is being widely distributed to BDG officials, other donors and interested researchers. You are encouraged to provide copies to consultants or counterparts who may be interested in this topic. Extra copies are available in PD&E.

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DECENTRALIZATION AND DEVELOPMENT IN BANGLADESH

TRIP REPORT ON A VISIT TO USAID MISSION
DHAKA, IN JANUARY 1987

Harry Blair, Bucknell University

March 15, 1987

004201

Note: The opinions expressed herein are those of the author and do not necessarily represent views of the Agency for International Development.

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The decentralization initiative now under way in Bangladesh has come to be the centerpiece of the current government's efforts in rural government. Whatever President Ershad accomplishes in the countryside, where 90% of the population still lives, will ultimately depend on how effective this initiative has been. Accordingly, it is appropriate that USAID should be concerned with the decentralization effort and interested in adapting its own activities to fit in with it as it unfolds. Indeed, it is already clear that several USAID activities -- such as Food for Work, Feeder Roads Maintenance and Improvement, Bridges and Culverts and those currently being proposed in family planning and cofinancing of private voluntary organizations -- will be vitally affected by the extent to which they fit in with the decentralization initiative.

This trip report will open with a few general observations on the BDG decentralization effort, then specifically address the following: (1) the upazila structure; (2) the prognosis for the zila parishads presently being discussed; (3) the Local Government Engineering Bureau and the Feeder Roads Project as they relate to decentralization issues; and (4) The Food for Work sector and CARE, also in this same decentralization context; Next, possible foci for USAID involvement in the decentralization initiative will be introduced, and finally some concerns for future consultancies will be raised.

Data for this report were gathered during a two week visit to Dhaka during 13-27 January 1987. Most of this time was spent meeting BDG officials -- mostly at the secretary and joint secretary level -- who are serving in the Planning Commission and the ministries mainly concerned with rural development, viz., Local Government, Establishment, Agriculture, the Cabinet Division and the Bangladesh Rural Development Board. Considerable time was also devoted to meeting with officers in the USAID Mission in order to assess how AID's projects and priorities fit into the decentralization initiative. In addition there were two seminar presentations as well as a debriefing with the USAID Mission staff. A schedule of all these activities is appended to this report.

THE CENTRAL PROBLEM

Decentralization's core issue is easily summed up: Can it succeed in transforming the present rural political economy from one characterized by what could be called "rural development" to one that delivers genuine rural development? In the present rural political economy there is an almost irresistible pressure tending to force all development inputs from Dhaka into the patronage system dominated by rural elites. Thus whether a donor assisted (or BDG-financed) project deals with public health or deep tubewell maintenance is not really important, because whatever the inputs are, they will be used by local elites to enrich themselves and reinforce their dominance by buying or coercing the support of those in lower rural socio-economic strata.

The question is whether this system (all too familiar to those with any length of service in USAID) can be changed through the current decentralization effort to one in which local government becomes accountable to the local populace in such a way that it is compelled to deliver not just patronage and graft but actual services and development inputs in ways so as to promote economic development and some genuine equity for the rural poor in the process.

In trying to answer this question, it quickly becomes obvious that there is a basic contradiction involved with it. In the near term future (say, the next two to three years), the decentralization ventures will be continued by the BDG only if the president feels that the upazila and zila parishads are becoming his main base of support in the countryside -- that the chairmen and members of these bodies are in the main allegiant to him, and that through them the rural citizenry is, if not wildly enthusiastic about his continuation in office, at least acquiescent. And the easiest way to ensure that this happens is for those officials to use the block grants and other inputs coming down from Dhaka in the time-honored ways to fortify their own positions of dominance.

On the other hand, as an institution furthering economic growth and equity in rural development over the longer term (say, ten years and beyond), the new system will survive only if it makes local government accountable to concerned publics who will insist that it deliver the goods and services that it is charged with providing. Such an outcome would also furnish a support base to the national leadership in Dhaka, but it would be a support based on an exchange with a much wider rural population -- small and middle farmer, sharecroppers and landless workers, artisans and women, not just a small rural landed elite. To put it another way, the government at its upper level would be happy in the short run (which for it is understandably the most important time frame) with either rural development or "rural development", whereas sustained rural economic growth and some improvement in the lives of the rural poor can take place only with genuine rural development.

We should deal at least briefly with the "decentralization is corruption" argument that is familiar in the domestic American context. There, one frequently finds the observation made (and not without reason) that local government tends to be corrupt government and that the higher level of governance (state, federal), the greater the degree of probity. Given this relationship, one might ask, should we place too much hope on the local level in Bangladesh, especially in view of its historical function as a conduit for patronage? The answer is that these lower levels are really the only ones available for enhancing and (one hopes eventually) ensuring public accountability in Bangladesh. At some point such accountability may become institutionalized on the national level, but this will probably take some considerable time.

THE UPAZILA STRUCTURE

First suggested in 1982, the Upazila system was inaugurated in 1983 and became fully operational with the popular election of chairmen in May 1985. Over this time it came to form the centerpiece of the government's strategy for rural development. The

structure is easily described. The old thanas of which there are about 460 in the country were "upgraded" to become upazilas (Bengali for "next-to-district") during 1983-84 and were allotted a more highly trained staff (e.g., degree holders rather than diploma recipients for the technical officers), more support staff (for a total of about 250 people), and more funds for development activities. An upazila parishad (council) was set up, the membership of which consisted of the technical officers assigned to the upazila (all non voting), and (as voting members) the chairmen of all the union parishads in the geographical area of the upazila, the chairman of the Central Cooperation Association, four nominated members (of whom three were to be women) and an upazila chairman, who was to be elected from the upazila as a whole. It might be pointed out that this was the first time in the history of East Bengal/Pakistan/Bangladesh that the head of a unit of government at thana/upazila level was to be directly elected by a universal adult franchise.

The purview of the upazila parishad (UZP) extends to a number of "transferred subjects" such as agriculture, health and family planning, primary education, cooperatives and the rural works program, while other, more sensitive or larger scale subjects are "reserved" -- police, elections, power, flood control, railroads, etc. The payroll of the upazila staff is met through central recurrent funding ("the revenue fund"), while its developmental activities are financed through another allocation from the center ("the development fund"), which averages to about Tk.50 lakhs for each upazila, ^{1/} generally referred to as a "block grant".

^{1/} For the whole country, Tk.200 crores have been authorized for upazila development funds. Allocations for each upazila are made by a formula as follows: 40% on the basis of population, 20% on the basis of geographical area, 20% according to "level of backwardness" and 20% on "performance" as assessed by the MLG. This would have to work out to around Tk.44 lakhs per upazila (Tk.44 lakhs x 460 upazilas = Tk.202 crores), but the popular parlance seems to be "the Tk.50 lakh block grants".

The UZP has some guidelines establishing ranges within which the money may be spent (e.g. between 35% and 45% on physical infrastructure projects), but otherwise can spend its grants as it wishes.

The UZP Chairmen were elected in May 1985 (after the poll was postponed from the previous year) on a non party basis. In recent months, however, they have been urged to join the president's Jatiyo Party, and it is estimated that upwards of 80 percent of them have thus far done so. That they should do so certainly fits in with the pattern of "rural development" referred to in the previous section. It should also be pointed out that considerable rivalries for political power have developed in this context, as the more recently elected Members of Parliament (MPs) have sought a piece of the rural action thus far monopolized by the UZPs.

A major aspect of the decentralization initiative has been the effort to transfer the orientation of technical officers from their line ministries to the upazila level. That is, how to ensure that the upazila agriculture officer takes his guidance and direction from, as well as gives his loyalty to, the upazila rather than the Ministry of Agriculture? Initially the answer was to have the upazila nirbahi officer (UNO -- this is the former "circle officer (dev)" in the old thana system, now part of the administrative cadre in the 32-cadre Bangladesh civil service system) write the Annual Confidential Report (ACR -- the yearly personnel evaluation report) for each of the technical officers, with the UZP chairman

"countersigning" it (doing the second level review). The technical officers at upazila level raised such a hue and cry over this system, however (including a widespread strike in 1985), that the BDG changed the system, so that now the UZP chairman writes the ACR and relevant technical officers at district level countersign. The quality of these ACRs appears to be somewhat marginal, not surprisingly since the UZP chairmen are unaccustomed to such exercises. But to the upazila technical officers, this system seems superior to having the UNO write the report. Why should this be so? The issue is an important one, for writing the ACR means acting as the immediate superior in the administrative chain of command. The technical officers, then, preferred to report to the UZP chairman rather than the UNO, whom they considered no more than their equal in rank and status.

There is still considerable dissatisfaction with the ACR system, it appears, and this is understandable enough, in view of the fact that an officer's longer-term career, promotions, postings, etc., come through his line ministry, not through the upazila level. On the other hand, unless the UZP and its elected chairman have some real operational control over the technical officers, there will be no meaningful decentralization, for de facto authority will simply continue to come through the line ministries down to their field staff of upazila level. One compromise that is being increasingly suggested (and may well have been put into practice at least in some cadres) is to have a dual ACR system, in which the UZP chairman would write a "performance ACR" and the technical officer at district level would write a "technical ACR". There would obviously be considerable risks here, for the technical ACR could very easily turn out to be the real ACR (especially if the performance ACRs tend to be delinquent and incomprehensible) and thereby defeat one of the major purposes of decentralization. There is some indication that this may already have begun to happen, with the technical position counting more than the performance portion of the ACR.

Another suggestion is to "second" or depute the technical officers to the upazila level from their present cadres, perhaps for a fixed term of 2-5 years at the beginning of their professional service after initial in-service training. Then they would return to the parent ministry or department. In a sense this is already being done through the "deputation reserve" method of staffing the upazila level, in which the strength of the present cadre has been increased by a member sufficient to permit seconding of enough officers to staff up all the upazila positions. A different approach would be to create a set of upazila level cadres, to which direct recruitment would be made. But there was not great enthusiasm for this approach from the senior level BDG officials interviewed, who thought a closed end cadre (i.e., no promotions possibilities beyond upazila level) would not attract qualified applicants. A compromise here might be to have an upazila cadre, from which one could transfer after, say, five years, to a regular BDG cadre, taking along with him service and pension rights, etc.

Local revenue mobilization for the upazilas is clearly a weak point in the decentralization initiative. The UZPs are dependent for the greater amount of their revenues on the block grant system, and it is difficult to see how they will replace these monies from locally generated revenues in the near future. A number of ideas have been suggested, however, for implementing new schemes or strengthening old ones (it is probably safe to say that virtually all existing local revenue raising schemes are operating at far below potential). Some of these ideas are:

- (1) leasing or auctioning off the rights to organize and manage hats (periodic markets). Actually it would probably raise more revenue for the UZP to operate hats itself, for leasing/auctioning in this situation would be too subject to collusion, kickbacks, etc.
- (2) occupational and professional licensing -- for traders, hawkers, physicians, lawyers, moneylenders, etc.
- (3) fishery taxes on (or perhaps rentals or leases of) community owned tanks and ponds.
- (4) housing taxes
- (5) local improvement taxes, as for irrigated land. A large and probably unsurmountable constraint here would be that the UZP would need access to (and thus gain the possibility of control over) landownership records, which the BDG would probably not wish to contemplate, given the potential for abuse and manipulation that would exist.
- (6) registration fees for country boats and bullock carts.

An entirely different idea is that local governments might be given some entitlement to a certain portion of national tax collection, on the theory that the BDG is more efficient at tax collection than local level. A somewhat analogous idea is found in the United States, where a number of the states peg their state income taxes as a proportion of the federal income tax.

It would be strange indeed if the decentralization process did not result in the insertion of local political agendas into the decision making process. And indeed there has been a politicization of the UZPs, in the course of which technical considerations have been somewhat displaced. This tendency can be detrimental, as when an UPZ may insist that what would be enough money to build, say, two 50 foot bridges of reasonable quality must instead be divided up so that eight 25 foot bridges of extremely questionable quality can be erected, one in each of the upazila's eight unions.

• To bring decision-making under popular control is indeed to introduce non-technical criteria into the process. It is also certain to lengthen the processing time, as political compromises must be arrived at before any decision of importance can be made. But there are several reasons why the cost is worth it:

- (1) Government will never be accountable to people at local level if decisions can always be changed "on technical grounds" at higher level. If one accepts the idea that top down administration is not enough to promote sustained development and that citizens must have input into decision making at levels where it affects their lives, then some compromise of the technical side is required.
- (2) If government officials are going to be genuinely concerned with working for the public well rather than solely to meet the needs of their own careers and (hence) the demands of their superiors, they must be accountable in some meaningful way to the public.
- (3) There is by now abundant evidence (from David Korten among others) that "local people's knowledge" is a useful supplement -- and at times superior to -- technical, professional knowledge when it comes to addressing local problems.

A major weakness of the upazila structure, observed by nearly all of those interviewed, is planning. There was some planning capability built up in the mid-1960s when the then extant thana parishads were required to put together those plans, based on formulations developed at the Comilla Academy. Then in the late 1970s there was some attempt to revive the process, but the overall accomplishment was relatively modest (the plans in the end amounted to better more than "wish lists"), and any carryover of that experience down to the present is undoubtedly very thin.

To the extent that notions of planning exist at all at the local level, they are in all probability limited to lists of physical infrastructure facilities that would be nice to have, but without any serious prioritizing or fitting into any overall scheme of regional economy or growth, and it would be safe to say that they are innocent of any concept of planning services and their expansion. In effect, then, planning capability at the UZP level will have to be developed from scratch. There is much to be done.

This is especially the case in that the half-baked and largely undone planning of the past could at best be called "consultative planning", in which the technical officers drew up a plan in accord with departmental guidelines and their professional knowledge, then submitted it to the thana parishad for comments and perhaps change. The type of planning that will now be required will be far more difficult. This "participatory planning" means that popular representatives will be in on the process from the start and that, as mentioned above, non-technical aspects of all kinds will have to be included in what is produced. This will be a tall order indeed for a structure that never really did much under a much simpler planning regime at local level.

PROGNOSIS FOR ZILA PARISHADS

In November 1986, the president announced that local self government would be instituted on the district (zila) level, and that the National Implementation Committee on Administrative Reforms (NICAR) would draw up recommendations for a system of zila parishads (ZPs). The NICAR has been doing its work, and it is anticipated that a bill to set up that structure will be introduced in the session of the parliament that began on 24 January.

The BDG has some pretty definite motivations for establishing some body at the zila level. Most directly, some 300 MPs have been elected (in the spring of 1986, almost a year ago by now), but have been given no role at all thus far in their constituencies. Meanwhile, in the MP view, the UZP chairman have been building up their own patronage bases at the upazila level. It is all too understandable in the prevailing realities of rural political economy that the MPs are very anxious indeed to get some of the action here. And if the president is going to build a viable support base among the officeholders of the parliamentary system that he has created, he is going to have to give them something with which to build their own support bases.

There was a fair degree of consensus among those interviewed regarding the proposals for ZPs that will be submitted to the parliament. Most certainly, the voting members will be the MPs 2/ and the UZP chairman whose upazilas fall in the zila concerned.

Most likely the zila level technical officers would be (non voting) members of the ZP, in the same fashion as their counterparts at the upazila level. The deputy commissioner (DC) would probably become the secretary, rather like the UNO at lower level. Who would head the ZP is less clear. Indications

2/ Apparently there are no MP seats which have boundaries crossing zila lines, but then may be a few exceptions. Thus few if any MPs would sit on two ZPs.

are that the chairman will be an MP, but how to choose among the 4-6 MP that will sit on each ZP (300 MPs divided by 64 zilas)? Initially one of the MPs will probably be appointed by the president and according to local newspapers, 62 of these ZP chairmen were in fact appointed on 25 January. Unease in three or four districts that do not have any MPs belonging to the Jatiyo party may be resolved by appointing a non-MP as chairman. One eventual possibility is for direct election of the chairman, in the model of the UZP, but any move like this lies in the future.

Neither have the exact functions of the ZP emerged into clear view thus far. Doubtless it will have some planning and coordinating role, but could it override decisions at the UZP level? Would it establish a plan into which the UZP plans would have to fit? Would it plan for some sectors (feeder roads is an obvious choice here) but not for others (like the 1300 growth centers, which have already been designated, presumably on an average of 3 per upazila)? Could sectors be divided, as for instance with primary schools going to UZPs and secondary schools to the ZPs? All these possibilities were raised by various people among those interviewed.

The question of funding also came up. The ZPs may be given block grants like the UZPs, or they may instead be given some kind of role in guiding the latter in the allocation of their own block grants. However it is done, and however the functions are divided between the two levels, it seems evident at this point that the ZPs (and through them the MPs) are going to be given some meaningful role in the rural development process. And however things are divided between zila and upazila level, there is bound to be some confusion and friction between the two. This situation will prove detrimental in some ways, as various activities are by turns duplicated or omitted or malnourished or crushed in the necessarily imperfect fit that is bound to exist between the two levels.

But there could be even greater benefits to rural development, for the coexistence of ZPs and UZPs should mean more visibility and more publicity, as well as more constituencies of the public who are interested and concerned with what is going on in their local governments. Even a little rivalry

between the two levels should add a bit in fact to their accountability. In this connection attention might also be drawn to the rural electrification boards, the PBSs (for Palli Bidut Samity), which have apparently become quite successful as member managed cooperatives, thereby adding another element to the local government mosaic (less successful are the upazila cooperative credit associations directed at the apex by the Bangladesh Rural Development Board). It is worth mentioning that in the United States there are some 80,000 autonomous governmental units, and that a part of the strength of our own system is that these different bodies have different publics, sometimes complementary and sometimes conflicting. Needless to say, if planning capability is weak and moribund at the upazila level, it is non-existent at the zila level, which has here to fore (when the present zilas were subdivisions of the older and much larger districts) had no planning functions at all. Most of the new zilas are in fact yet to be completely staffed with technical officers after the recent expansion from 22 districts to 64 zilas.

**THE MINISTRY OF LOCAL GOVERNMENT THE LOCAL GOVERNMENT
ENGINEERING BUREAU AND FEEDER ROADS**

A significant part of this TDY was spent on the BDG's proposed feeder roads project, for that is currently the area where the USAID Mission in Dhaka finds itself dealing most directly with the decentralization initiative.

The Local Government Engineering Bureau (LGEB) was created in 1984 through a transformation of the former Works Programme Wing (WPW), which had been in existence since the early 1960s. The WPW apparently had only a temporary status which had to be periodically renewed, and its employees had no rights or security in government employment. It might be said to be somewhat similar to the American Reconstruction Finance Corporation, set up during the Great Depression as a temporary agency designed to assist beleaguered corporations to revive but was not intended itself to endure permanently. The present-day Consolidated Rail Corporation (Conrail)--charged with operating the remnants of a dozen bankrupt Northeastern railroads until they can be sold off to the private sector--is another example.

When the Ministry of Local Government, with USAID and other donor's support sought to establish a long-term institutional capacity to improve rural infrastructure, the response was to transform WPW into LGEB. The LGEB's parent unit, the Ministry of Local Government (MLG) apparently thought it was doing heroic work to upgrade its enterprise from mere "programme" to "bureau", despite the fact that a "bureau" is only slightly less impermanent than a "programme". After the LGEB had been in operation for two years, a national policy committee (National Implementation Committee for Administrative Reform: the committee charged with implementing the government's decentralization policy) ruled that LGEB, as a bureau, had no implementation authority and that temporary "Project Implementation Offices (PIOs) would be organized to implement specific donor projects. It was with evident dismay, then, that the MLG discovered USAID to feel that these changes undermined project needs for building a more permanent institutional capacity.

There appear to be other difficulties at LGEB as well, but they are relatively small ones in comparison to the institution building issue. Staffing has been a significant problem, with engineers recruited on deputation from the Department of Public Health Engineering and the Public Works Department, as well as overseers who were sufficiently well qualified to be promoted. With such a mixed bag of sources, it is not unreasonable to suppose that technical qualifications may vary considerably (as at least one report has found: A.M.M. Shawkat Ali, now Managing Director of the Bangladesh Krishi Bank, wrote a paper on this for the National Institute of Local Government, which may have appeared in its journal). Evidently, there is considerable scope for training here.

Another issue is the uncertainty over what kind of road (feeder type A or type B) improvement or maintenance should be assigned to ZPs and UZPs. Such a division of labor shall have to await the creation of the ZP structure that is currently under way, but none of those interviewed seemed to think there would be major obstacles here.

THE MINISTRY OF RELIEF AND REHABILITATION,
FOOD FOR WORK AND BUILDING INSTITUTIONAL INTEGRITY
AT LOCAL LEVEL

The CARE Food-for-Work (FFW) program, now in place since 1976, and the more recent FFW effort of the World Food Programme (WFP) provide a good illustration of some of the problems of developing local institutional capability. At one level, CARE's careful monitoring is a partial solution to a major problem. At a second level, the same CARE monitoring system is a constraint on a major systemic need of rural political economy in Bangladesh. And at a third level, it is an example available to local governments of what must be done to ensure public accountability.

Between them, CARE and WFP manage FFW activities for which about 368,000 metric tons (MT) of wheat are allocated annually. Of this amount, roughly 92% or 338,000 MT is programmed for specific projects and released to Upazilas. Through the CARE and WFP monitoring systems, it has been estimated that about 70% of the released amount, or 236,600 MT can be accounted for in terms of infrastructure actually built. In the case of the CARE program, the BDG is reimbursed only the amount that can be accounted for. But meanwhile that same BDG has already released the whole 338,000 MT to the upazila level, so as much as 101,000 MT or about 30% has "leaked" out of the system by the traditional routes. This is a serious problem in rural development, if one of its goals is to use imported foodgrains to create infrastructure that will help the rural economy grow.

Promoting rural development in such a way is indeed one of the goals of the BDG rural development policy. But another (and in the short run more important) goal is to maintain stability in the countryside by keeping the machinery of rural patronage in good working order. From this point of view, it is the 101,000 MT that provide the "solution", while the remaining 236,600 MT are if not a serious problem, certainly a bit of a bother.

At another level of reasoning, however, one has to ask how the UZPs and ZPs ever will achieve some minimal probity in discharging their tasks. In one way or another, it must be because they are forced to do so. It is by now fairly clear that they will not be forced to do so from above, for the patronage agenda is too much stronger than any urge to demand integrity at local level. All that is left, then, is for probity to be forced from below; it is the citizenry that will have to hold local government accountable. Planning and publicity (of which more shortly) must (I think, any way) be the instruments of accountability, along with an aware public. But how can these things fulfill their task if there is no standard of what is a job satisfactorily done? CARE's monitoring effort is one of the very few (if not the only) systematic check on government performance at local level by an agency not part of the government itself. The CARE method can thus give a standard to UZPs and ZPs by which they can put into effect their own system for checking performance.

It seems to me, then, that the MSI report 3/ is off the mark in asserting that CARE's monitoring system, by being as effective as it is, "is the main obstacle" to institutionalizing a monitoring capability at upazila level (page V-11; see also V-13). This institutional capacity must come in part from within the local system, it is true, but it probably won't come at all without some external help through training and example. It is not enough to beg the question as the MSI report in effect does by saying that upazilas more effective at implementing infrastructure schemes are better because they have a greater capacity for working at local level (V-7; see also V-4 and V-14).

3/ "Institutional Assessment of Food for Work and Feeder Roads Programs in Bangladesh," by Michael Loft et al., prepared for USAID/Bangladesh (Washington:Management System International, October-November). Draft copy.

SUGGESTIONS FOR USAID INVOLVEMENT IN LOCAL GOVERNMENT

Whether or not the feeder roads project implementation issues are eventually resolved, there are a number of possibilities for USAID involvement with the UZP and ZP structure that is now either in place or soon will be. Training is unquestionably an area of major potential. The officers at upazila level are supposed to be more technically proficient than those in the old thana system, but to the extent that this proves to be true, it is only that: technical proficiency. These officers, most of them quite junior, have no significant training or experience at anything outside their professional specialties. That is, working as a member of a team whose specialties are all different, working under a political leadership, and (most importantly) working for a public constituency as opposed to a departmental supervisor -- all these things are quite new to these officers. The scope for training in what David Korten and others have called "bureaucratic reorientation" is immense. 4/

An allied opportunity lies in the area of local planning. As we have seen, the planning capacity at upazila level is at best weak and at Zila level is altogether absent. Yet it is absolutely essential to the success of the BDG decentralization initiative for two reasons. The first and obvious one is that unless there is serious planning there never can be any coherent local development. Schemes creating infrastructure, supplying goods and delivering services must be prioritized and integrated and there must be some locally usable system for monitoring and feedback. Certainly this is true if the kind of "adaptive development administration" being urged by Dennis Rondinelli, Norman Uphoff and others (including again David Korten) is to come about, in which management is able to learn from its mistakes in order to improve its project, and in fact

4/ For a brief summary of this thinking, see Blair, "Participatory Rural Development," in Hasnat Abdul Hye, ed, Decentralization, Local Government Institutions and Resource Mobilization (BARD, Comilla, 1985) 79-107.

"embraces error" in the effort to discover better ways to redesign what is to be done. Actually, one need not go to foreign advisors and scholars for examples of this approach; one of its premier practitioners has been Akhter Hameed Khan of the Comilla Academy.

But how to ensure that local leadership does these things, especially when most of the short-term pressures of rural reality conduce more to patronage politics as usual? That is where the second and ultimately more important aspect of local planning lies. For it is precisely local planning in combination with local publicity and concerned local publics that can make decentralized government accountable to the people as a whole. The process is a relatively simple one. First, an upazila (or zila) plan lays down in written and public form what the political leadership promises to do with the funds and facilities placed in its care. Second, publicity through local media, such as weekly newspapers, political gossip, perhaps even mosques, makes known what those plans are. And finally, groups of citizens who are interested in various aspects of that plan (farmers wanting inputs, parents wanting education, women wanting cottage industry assistance, etc.) monitor implementation of the plan, and they let it be known when they are not happy with its progress.

This is not a perfect process. Plans are late, planners tend not to like publicity (for obvious reasons), well-intended publicity efforts fail, citizens are easily bored by local government, vested rural interests are much more eager to demand accountability for their priorities than are the poor and landless, as well as being more adept at getting those priorities realized. But given the overall realities of rural Bangladesh, there is no other way to begin to get the interest of rural non-elites on the public agenda and to give these groups some chance of holding local governments to account on following through with these agendas. Donor opportunities, then, in both planning and training are large and promising.

A third area of promise is rural NGOs as an engine of small scale economic entrepreneurship and local participation, as contemplated in the PVO Co-financing project currently being considered by the USAID mission in Dhaka. Among other things, the project would contribute significantly to enabling publics other than rural elites to develop a capacity to gain access to the local government system and to participate in holding it accountable, as described in the preceding paragraphs. Such a project certainly has the potential to contribute significantly to the success of the BDG decentralization enterprise.

A last suggestion concerns women, who comprise a constituency that has proven exceedingly difficult to reach through the various donor assisted efforts initiated thus far. The idea here would be to earmark a set portion of the block grants going to the UZPs (and ZPs if they get such grants) for women's projects, either as a portion of the present system or as a supplement to it (naturally in the latter case there would be a bit more scope for persuading the BDG that the idea is a good one). A five percent portion as a supplement would run to Tk 10 crore per year (roughly \$3 million) and would put an average of Tk 2.2 lakhs at the disposal of each UZP. The next step would be to ensure a prominent role for the three women members of the UZP in allocating that money. One can all too easily imagine the possible abuses and misappropriation that could (and doubtless in many cases will) occur. But over time, given the scenario laid out earlier for public accountability through planning, publicity and participation, one can also imagine more favorable outcomes.

IDEAS FOR FUTURE CONSULTANCIES

It would be useful to follow the changes that are sure to take place in the decentralization process as it unfolds, as for example, establishment of the ZPs. This should be done in several ways:

- (a) at the national level, through ongoing dialogue with the secretaries, joint secretaries, etc.
- (b) through the academics and research institutions. There was not time to explore this rich resource of knowledge about decentralization on this brief field visit, but there are a good number of very good people in both these areas who have done and continue to do work on rural development issues, including decentralization, and these would be worth pursuing.
- (c) other donors--there is a wealth of experience that should be periodically reviewed and shared.
- (d) field visits to selected UZPs and ZPs perhaps with some conscious emphasis of local government units that seem successful and/or, that have an overlapping USAID involvement (e.g., feeder roads, FFW, rural electrification, health and family planning and perhaps the proposed PVO co-financing project as well).

Some issues to be followed are:

- (a) Zila Parishads. How will the chairmanship issues be settled? What will be the impact of this on rural development? What will be the role of the Deputy Commissioner?
- (b) Administration/judiciary separation. A major concern at present in the BDG is whether to separate administrative and judicial functions, which have been joined at the DC level for the last two centuries and more. To do so will have an significant impact on rural development, for a considerable portion of the DC's ability to promote rural development is thought to depend on his ability to enforce as well as administer. Is this true? The answer should be important to evaluate before and after the proposed separation takes place.

- (c) Planning at UZP and ZP level. Whatever is done here is going to require many iterations before it becomes workable. This interactive process will offer many opportunities for USAID suggestions and possibly more concrete inputs with the goal of assisting in the building of local planning capacity.
- (d) Accountability. Over the longer term decentralization will work only if local government becomes accountable to its public. It will be worth spending some effort to track that process.

**SCHEDULE FOR
HARRY BLAIR TDY
January 13 - 27, 1987**

Jan 13	Tuesday	-	4:30 PM	Arrival on British Air Flight. Lodging at Sheraton Hotel.
Jan 14	Wednesday	-	8:30-9:00 AM	Meeting with John Westley, Bonnie Pounds, Turra Bethune.
			9:30-10:30 AM	Don Reese, Gene George, Mike Calavan on Feeders Roads Project and Bridges and Culverts Program.
			10:30-11:30 AM	Don Reese, David Warner, Gene George, Mike Calavan on Rural Electrification.
			11:30-12:30 PM	Collette Chabbott, Olivier Carduner - Decentralization/NGO Support Project (over lunch).
Jan 15	Thursday	-	8:15-9:00 AM	Alan Hurdus, Pat Peterson on Agriculture Program issues.
			9:15-9:45 AM	John Berntsen, Embassy Political Section.
			10:00-11:00 AM	Sharon Epstein, Gary Cook, Sigrid Anderson, Mike Calavan on Family Planning Programs.
			11:00-12:00	Turra Bethune - Evaluation/WID
			12:30-02:30 PM	Lunch - Dhaka Club - John Westley, Charles Bailey, Musharaf Hussein, Stafford Clary, Mike Calavan, Olivier Carduner.

		3:00-4:30 PM	Lowell Lynch, Bob Sears and CARE staff on Food For Work Program.
Jan. 16	Friday		No appointments scheduled.
Jan. 17	Saturday		No appointments scheduled.
Jan. 18	Sunday	8:30-9:30 AM	Zillur Rahman, Planning Commission.
		10:00-11:00 AM	Peter Whitford, World Bank.
		1:30-2:30 PM	Q.I. Siddique, Engineering Advisor, Ministry of Local Government.
Jan. 19	Monday	- 8:30-9:30 AM	Hossain Ahmed, Secretary, Ministry of Local Government.
		10:00-11:30 AM	D.S. Yusuf Hyder, Additional Secretary, Ministry of Establishment.
		12:00-01:00 PM	R. Kramer, Program Office.
		7:00 PM	Diner at Olivier Carduner residence.
Jan. 20	Tuesday	- 9:00 AM	A.M. Mujibul Huq, Secretary, Cabinet Division.
		10:00-11:00 AM	M. Mahbubuzzaman, Adviser to the President on Administrative Reorganization.
		1:00-2:30 PM	Jorgen Persson, SIDA.
		3:30-4:30 PM	Dr. Sheikh Maqsood Ali, Member, Energy and Industries, Planning Commission.
		5:00-6:00 PM	Prof. Mohabbat Khan - Dhaka University.
		6:30-8:30 PM	Reception hosted by John Westley.

Jan. 21	Wednesday	8:15-9:15 AM	Hasnat Abdul Hye, Director General, Bangladesh Rural Development Board.
		10:00-11:00 AM	Dr. Eusufzai, Member, Agriculture, Water & Rural Institutions, Planning Commission.
		1:00-2:00 PM	Mohammed Faizullah, Joint Secretary, Cabinet Division.
		3:00-4:00 PM	Dr. Shawkat Ali, Managing Director, Bangladesh Krishi Bank.
		7:30 PM	Dinner at Ellen Shippy's Embassy Political Counselor.
Jan. 22	Thursday	3:30-9:30 AM	M. Anisuzzaman, Secretary, Ministry of Agriculture.
		10:00-12:00 PM	Seminar with USAID Project Staff on implementation constraints related to decentralization policies. (4th floor conference room)
		1:30-2:30 PM	Carol Stengel Briam, Forrest Cookson, Rural Finance Project.
		2:30-3:30 PM	Colette Chabbott - NGO Project.

			3:30-4:30 PM	Dr. Grath Glenworth, Public Administration Advisor to the British Council and ODA, Mr. Donald Curtis, Institute of Development Studies Birmingham University, Re. design of local government training program.
Jan. 23	Friday	-		No appointments scheduled.
Jan. 24	Saturday	-		No appointments scheduled.
Jan. 25	Sunday	-		No appointments scheduled.
Jan. 26	Monday	-	9:00-10:30 AM	Debriefing on findings and recommendations - presentation of draft report. (4th floor conference room)
			2:30-4:30 PM	Seminar with academics, BDG officials and donors on Decentralization in Bangladesh. Hotel Sonargaon - Ballroom 3.
			7:00 PM	Dinner at Mike Calavan's.
Jan 27	Tuesday	-	8:45 AM	Per Ryden, Rural Employment Sector Project.
			11:00 AM	National Institute for Local Government.
			11:00-2:00 PM	Charles Bailey, Ford Foundation.
			2:30-3:00 PM	John Westley.
			4:30 PM	Departure for Airport.