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9. ABSTRACT
 Certain forms and degrees of government decentralization are an important means of furthering development in LDCs. This paper discusses the concept of decentralization and applies it to Tanzania and Ghana. Those two countries are undertaking major experiments in decentralization. Under one form of decentralization, deconcentration, a central ministry delegates authority to a regionally dispersed field staff. A second form of decentralization is devolution, in which powers of a central ministry are legally conferred on local authorities. In 1972 decentralization was begun in the planning and implementation of development programs. New collective villages have been established. However, there is considerable opposition to this program, and yields on collectivized fields have been consistently lower than on private plots. In Ghana the decentralization program has just begun. It calls for nine regional councils, 60 district councils, and local development committees. A.I.D. is providing extensive technical and capital assistance by means of three projects. The first, providing training and consulting services within each region, has just begun. A second project, concerned with district planning and rural development, will begin in 1978. The third, concerned with rural development resource support, is planned for FY 1979. The success of the decentralization and development efforts in Ghana will depend considerably on whether the existing ministries adapt their funding and operations to support links between the regional and district councils.

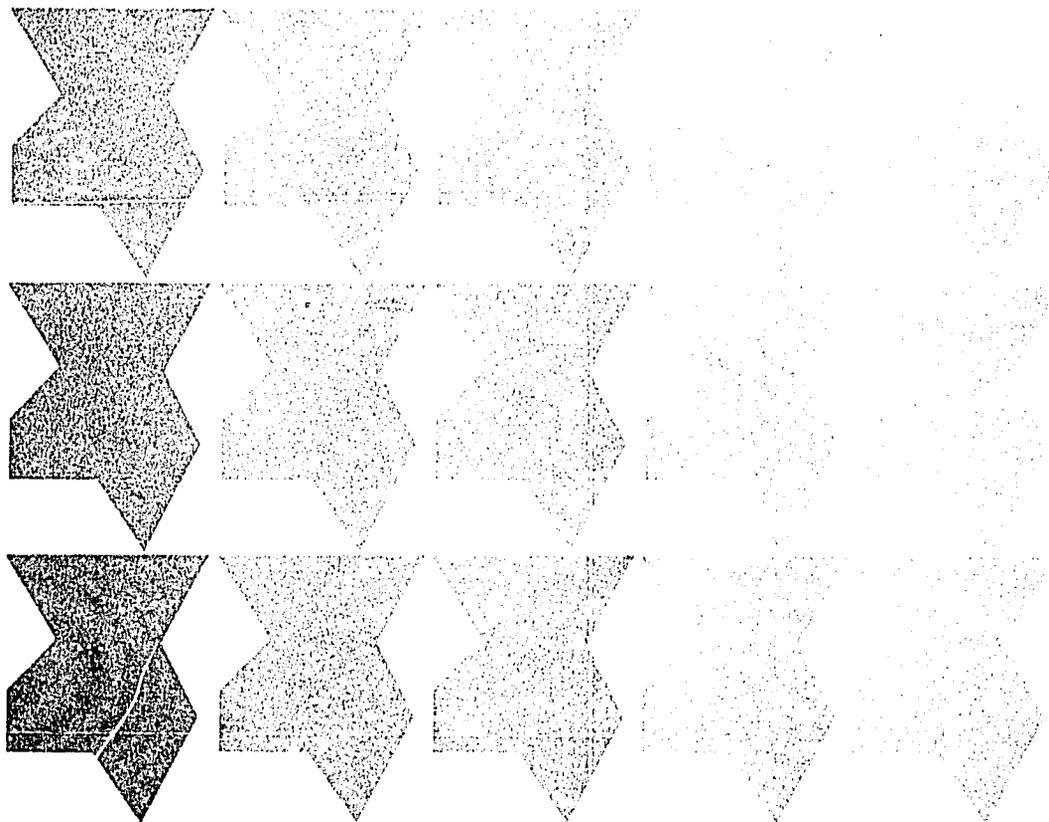
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DSP OCCASIONAL PAPER No. 2

DECENTRALIZATION FOR DEVELOPMENT
The Concept, and Its Application in
Ghana and Tanzania

by

Walter J. Sherwin

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The views expressed herein are those of the author only and
should not be attributed to the Agency for International
Development.

**DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523**

August 1977

DSP OCCASIONAL PAPERS: an introduction

The Development Studies Program was established in 1975 to help improve the capability of this Agency to carry out the new emphasis on rural development in our legislation. Over 200 AID officers have gone through the program and many more will be reached in future sessions.

Our purpose is to stimulate and continue a dialogue on how better to do our job of improving the quality of life of the rural poor in the developing countries.

One way in which the DSP will help with this task is by circulating a series of Occasional Papers which grow out of the program. These Papers will include the work of the participants, faculty and outside speakers who contribute to the program. They will be circulated to former participants and others who are interested in the development process.

We welcome your comments, suggestions and contributions to the series.

Richard N. Blue
Director
Development Studies Program

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This paper discusses the concept of decentralization of government as a means to enhance the processes of development planning and implementation in new and economically emerging countries, and then analyzes the application of the concept in Tanzania and Ghana, two countries undertaking major experiments in decentralization.

I. The Concept of Decentralization 1/

Decentralization takes two forms: deconcentration and devolution. Deconcentration is the delegation of authority to a field staff of a central ministry or department to carry out the latter's program in a region or locality. Devolution refers to powers legally conferred on local authorities to carry out specified or residual functions.

A. Purposes of Decentralization

The basic purposes of decentralization are to:

- allow field staff and local authorities to assume responsibility, within their respective management scopes and capabilities, for programs and functions situated within their jurisdictions;
- base decisions on first-hand knowledge of the area concerned;
- permit greater public participation in the decision-making and implementation processes of development;
- relieve the central government of minor and detailed local tasks, such as signing expense vouchers, appointing low-level

officials, approving orders for spare parts, settling minor disputes, etc. Handling these tasks at the central level consumes valuable time of personnel better spent on weightier matters. It also causes program delays, loss of enthusiasm and initiative, and problems of communication with the lower level.

B. Central Government Role in Decentralization

The role of the central government is to:

- formulate comprehensive development plans, taking into account both national requirements and the plans and ideas developed at the local and intermediate levels;
- allocate resources on a functional and geographic basis;
- provide funds for programs;
- provide leadership, policies, and technical standards for implementing programs throughout the country;
- create administrative structures and train personnel;
- conduct research;
- introduce new ideas and stimulate local participation in development;
- supervise and support decentralized units;
- construct major public works.

C. Deconcentration from Central Ministries to Field Offices

The functions of field offices are to:

- match central government policy and local needs;
- develop plans based on local contact;
- funnel information in both directions;
- facilitate social and economic change;
- provide emergency aid;
- maintain infrastructure which forms part of a national system;
- work with and help develop the local government system.

To help serve the multiple and interconnected needs of the population they serve, field offices need to coordinate with each other and with the local authorities. Where several technical agencies of central ministries share a common administrative area, the size of the area should be that required to carry out the largest activity for which any of them is responsible, so as not to leave a portion of it in another jurisdiction. Common field areas should be created at least at the regional level, and perhaps at the district level as well, if complexity of programs or size of country warrants. Career administrators should be placed in charge who have the ability to plan and manage men and resources, and who show political sensitivity to the local environment.

Placing able administrators and technicians in the field strengthens field administration, whereas if left in the center, they would add to centralist tendencies. On the other hand, a system with too many tiers of field posts results in spreading scarce talent too thinly and causes bureaucratic delays.

If field units are to be effective in consulting with local authorities and the public and in eliciting popular participation in development, the central authority must define the desired type of participation and not inhibit the field in its achievement. Moreover, field-local relations are enhanced if field officers do not adopt a paternalistic attitude and if they are not better paid than comparable local officials.

D. Devolution to Local Authorities

The relationship between central government and local government should be a "partnership of two active and cooperative members, but with the central government definitely the senior partner." 2/ In a relatively advanced country with an adequate number of trained personnel at both upper and lower levels, local authorities may be given full responsibility both for carrying out strictly local functions and for the

field administration of ministry programs. However, this situation is not applicable to most of the countries AID deals with. A central government there would increase its burdens if it prematurely transferred to local authorities services which they were unable to finance or administer properly. Such transfers would lead to corrupt accounting, inept management, and technically unsound projects. Proper controls and supervision are essential. Excessive devolution may occur either through transfer of specified functions or through an "open-end" arrangement whereby local authorities are allowed to do for the community whatever is not forbidden or exclusively within the jurisdiction of another unit of government. In the absence of proper technical and financial assistance and/or experienced local personnel, open-end devolution can cause confusion among different levels of government and may lead to unwise projects or emphasis. It may also result in the failure of both the central and local authorities to carry out necessary functions because they are not prescribed for either level.

In a politically weak or divided country, excessive devolution may lead to political disintegration. Some governments are fearful of even moderate, administratively sound devolution lest opposition forces use the devolved authority to gain a strong foothold in a local area and turn the populace against the government. One way to overcome this problem is to establish a parallel party structure which develops some unity of purpose at all levels, thus giving the center the needed confidence to decentralize.

The most suitable approach where local government is in the formative stage is to prescribe functions for local authorities on a progressive basis, increasing local responsibilities, along with the means to carry them out, as the needed capacity is demonstrated. In this context the central government should (a) provide positive support by formulating national programs, issuing directives, setting technical standards,

and training local staff and councilmen, and (b) exercise controls by making on-the-spot checks and audits, requiring progress reports, supervising budget and fiscal operations, and providing sanctions for malfeasance.

A two-tier arrangement is desirable for local government. A lower - level authority should cover the largest area in which a sense of community exists and citizens are able to participate in local programs. A next-higher level authority, preferably centered in a small city or town, should cover the largest area to which it can deliver technical services efficiently and which permits councillors to meet frequently.

An essential link between appointed officials and the public is representative councils through which the people can furnish advice, participate in decision-making, and organize labor for self-help projects.

A separate ministry or office of local government can do much to maintain consistency in, and supervise relations between central and local government. Such a ministry can be aware of the strengths and weaknesses of different local authorities, and can coordinate proposed central government legislation and activities with the local authorities. In addition, the ministry can serve as an advocate of the local authorities within the central government, secure assistance for local authorities from other government agencies and outside organizations, prevent technical ministries from overloading local bodies with responsibilities they are unprepared to meet, promote cooperation among local bodies on common problems, and meet special requirements they might have. The very existence of such an agency can bring about an improvement in central-local relations.

In addition, six types of central agencies facilitate rational, coordinated decentralization: an organization and methods office, a personnel office, a budget office, a planning agency, a community development agency, and a backstop office for generalist field administrators.

E. Financial Aspects of Decentralization

This topic has already been touched on, but deserves some detailed consideration.

Central control over field staff and local authorities is required to:

- allocate funds in accordance with national and regional plans;
- prescribe and audit proper accounting procedures;
- grant tax and revenue powers consistent with national tax and development policies;
- allocate and supervise grants-in-aid;
- finance major development schemes.

A national or regional budget is an effective coordinating mechanism, but its effectiveness is lessened to the extent that agencies operate outside the budget, available funds fall short of budgeted amounts, taxes are earmarked, and legislators have direct control over large amounts of central government money.

A key problem in less developed countries is the tendency toward centralization of financial authority and operations in order to control local corruption. This can lead to program delays and prevent growth of local leadership. To have financial decentralization without corruption requires uncomplicated but clear procedures and rules of conduct, and enforcement of same. One approach to preventing corruption is to use multiple channels, e.g., to allow all levels to conduct petty cash transactions, but to place responsibility in separate offices for authorizing larger payments, for receiving and disbursing funds, for certifying receipt of goods and services, and for conducting audits. The personnel responsible for public accounts at each level should be properly trained and paid a commensurate salary.

With respect to taxes, the authority that imposes a tax should normally be the one to collect it. Two authorities may share the revenues obtained from a tax source by one of them, but they should not both collect from the same tax source.

At the outset of a program, it may be useful to relate the source of funds to their use through tax earmarking. Over the long run, however, a series of such tax earmarkings distorts programming and causes loss of support for general expenditures.

F. Systems of Decentralization

Although there are many variations, four basic approaches that have been applied in recent decades to decentralization may be noted. They are listed in ascending order from least to most decentralized.

1. The integrated administrative system, wherein the central government administers technical services directly and the regional and district administrators are responsible for field coordination, but the rural local authorities have little control over government activities or staff. This system, common in Southeast Asia and the Middle East, has experienced difficulties in aligning central programs with local needs, and in obtaining local participation.
2. The dual system, where central ministries perform technical services directly, while local authorities carry out local services and some local development programs. This system suffers from limited field coordination among central government services and with local authorities, and is characterized by separateness and conflict.
3. The partnership system, where both local authorities and field units of central ministries render direct services. Field units

tend to be centrally oriented and coordinated only at the regional level, if at all. This system gives rise to complex problems of administrative and financial relations between the central and local governments.

4. The comprehensive local government system, wherein local authorities, with technical assistance from the ministries, render all or nearly all services to the public, as opposed to field units of the ministries carrying out these functions. This highly decentralized system is susceptible to serious technical, financial and personnel problems in a country with limited numbers of qualified technical and administrative personnel.

G. The Tanzania and Ghana Variations

Until a few years ago, Tanzania and Ghana had systems of limited local autonomy that fell somewhere between the dual and partnership categories described above. The reforms of the early 1970's advanced the two countries well beyond the partnership category. With their deconcentration of central ministry activities, their merger of field staff and local government authorities at the regional and district levels, their emphasis on popular participation, the two systems --- which are similar but not identical --fall into a new category that the writer would term integrated partnership.

Two distinct advantages of the integrated partnership approach are that it allows productive use of limited numbers of trained personnel from the center and the localities, and encourages a wide measure of local involvement in development. However, application of the approach is not without difficulties, as will be evident from the analyses that follow.

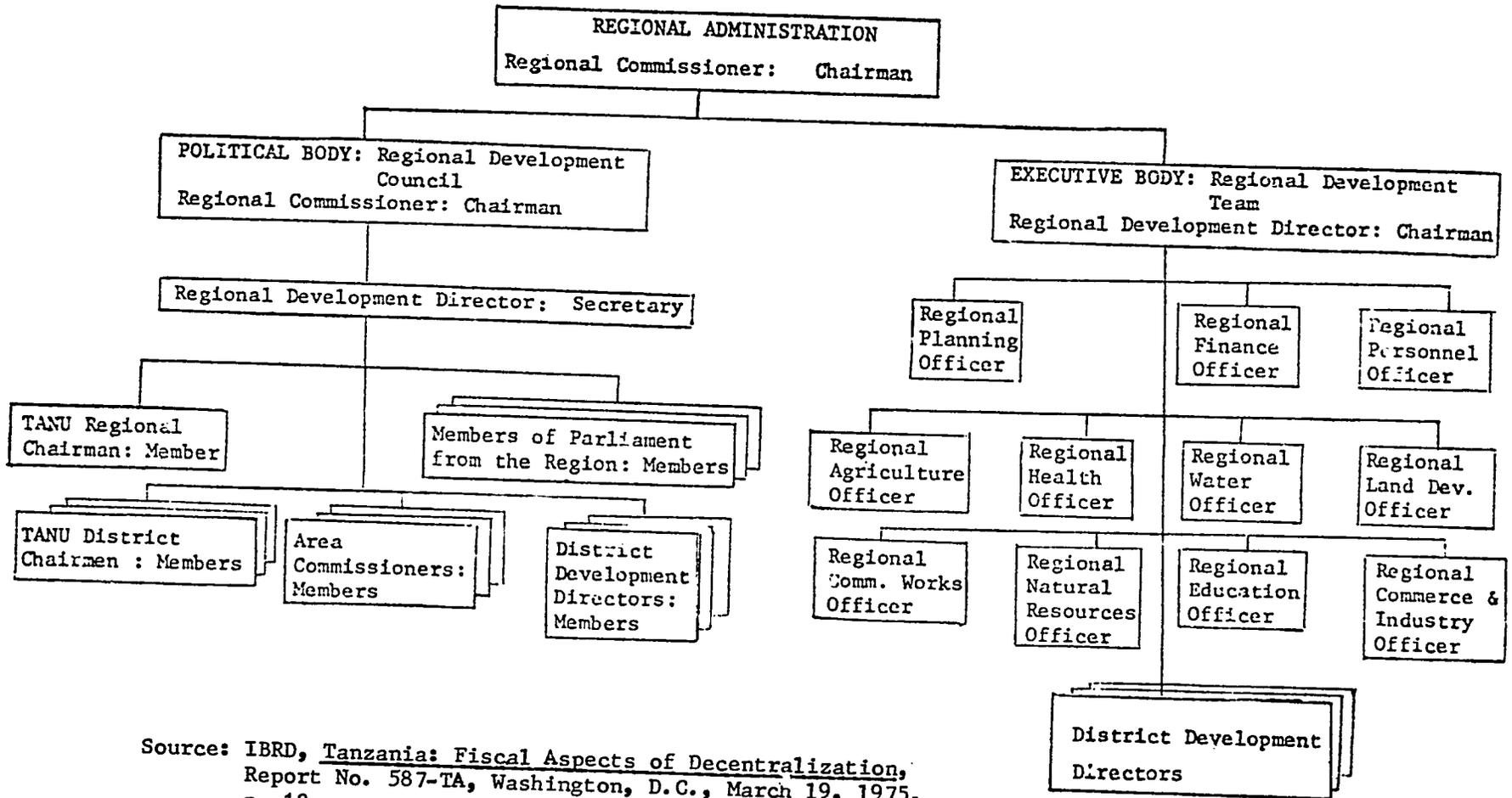
II. Decentralization in Tanzania

This discussion focuses on three major issues:

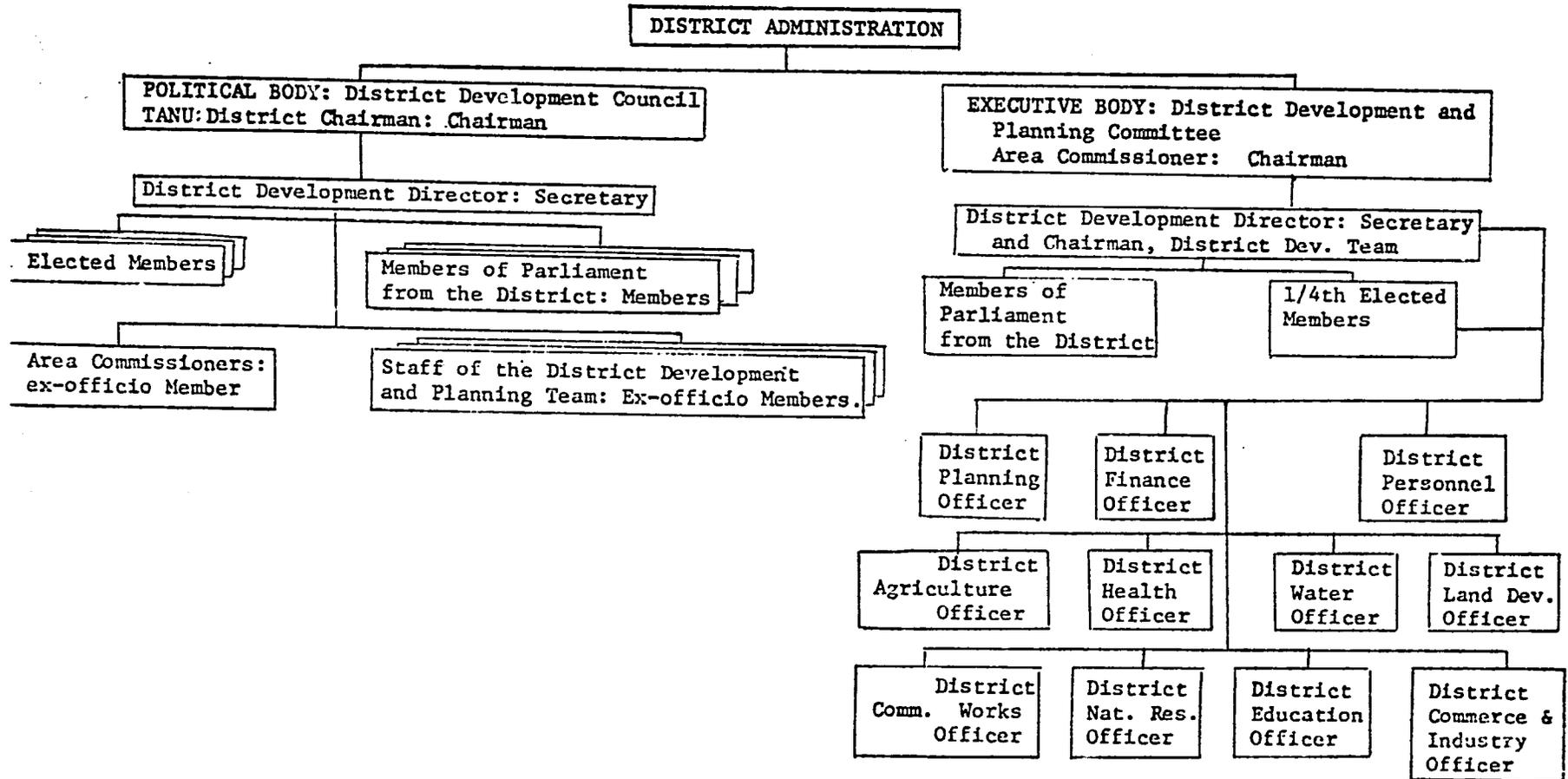
- How does the Tanzanian system reconcile local autonomy in development planning with the need to allocate limited resources to national objectives?
- How does the system secure and control the financial resources needed for development?
- How does it involve the people in the development process?

A. Local Autonomy versus Central Control in the Planning Process 3/

Until 1972 Tanzania had a system of government which suffered from the typical pitfalls of over-centralization at the top, limited authority and competence below, and poor lateral and vertical coordination throughout. These problems were exemplified in the preparation of the Second Five-Year Plan (covering the period 1969-74). Field offices of various ministries prepared project requests on a sectoral basis for submission to their respective headquarters. At the same time, village and district committees presented their project proposals -- which crossed ministry and sectoral lines--to regional development committees. Coordination between the regional ministry office submissions and the village and district committee proposals was spotty. For one thing, with separate budgets there was no financial compulsion to coordinate. For another, the officials best placed to coordinate, the regional commissioners, had an array of other duties pressing on their time. Some of the commissioners were fortunate to have an economic secretary, yet often failed to use him to assist in coordination. If, in spite of these handicaps, some regional coordination was achieved, the individual projects in a package were submitted to separate ministries which might approve one of the projects but reject another. 4/



Source: IBRD, Tanzania: Fiscal Aspects of Decentralization, Report No. 587-TA, Washington, D.C., March 19, 1975, p. 12.



Source: Ibid., p. 13.

1. The Reorganization

The Tanzanian solution to these problems was a novel combination of centralization and decentralization of functions, and an end to devolution. In pursuance of the goals of socialism and self-reliance set forth in the Arusha Declaration of 1967, the Decentralization of Government Act was passed in 1972. Its purpose was to promote rural development and the people's participation therein. Rural district governments were abolished, and their staffs converted to central government employees. The local government system was replaced by a structure consisting of the central government, 20 regional administrations, and 73 district administrations. The district and regional administrations were given primary responsibility for agricultural, rural, small industry and commercial development.

Regional and district development directors were put in charge of development teams and committees, to which were attached nearly 3,000 staff dispersed into the field by nine central ministries. The development directors, appointed at high rank, were placed under regional and area commissioners who operate as ministers within their jurisdictions. The directors also belong to parallel regional and district development councils whose other members are TANU political party chairmen and members of parliament.

2. The Planning Function

The decentralization was designed "to ensure that future economic planning stems from the people and serves the people directly." 5/ Under the scheme, each district administration collects suggestions for development projects from villages and wards; formulates plans in terms of project costs, beneficiaries, and physical phases; obtains approval of the district development committee and the TANU district executive committee; and submits the plan to the regional administration for reconciliation with other district plans. The regional plan is then

forwarded to the prime minister's office which reviews it in terms of guidelines for allocation among (a) the regions (the goal is inter-regional equity), (b) types of investment (directly productive, economic infrastructure and social infrastructure), and (c) functional sectors. Once approved, the plan is turned back to the region and district for implementation.

3. Initial Assessment

A World Bank report assessed the initial results of the decentralized planning system as follows:

Interregional equity has been improved as a result of allocation decisions by the government. Local people now know whom to address in making their needs known, and project ideas are percolating up the system. However, project quality has not improved significantly, for several reasons:

- lack of sufficient numbers of trained personnel;
- failure to undertake cost-benefit studies;
- severe physical communication problems between the district and the region, and between the region and the central government;
- little cooperation between field officers of different ministries, partly because of differences in salary levels and conditions of service.

B. Financial Aspects of Decentralization /6

Prior to decentralization, the local governments were responsible for local administrative services and the operation of primary schools and health services. To finance these, they collected a variety of local taxes and obtained grants from the central government. Several problems arose:

- The central government share of local expenditures steadily increased--from 11 percent in 1961 to 26 percent in 1967. Almost 40 percent of central government current expenditures in 1968/69 was absorbed by transfers to local authorities.
- Administrative costs of local tax collection were high, and tax evasion was widespread.
- Because of variations in local prosperity and tax rates, expenditures per capita were far higher in urban than in rural districts, and differed widely among the latter. Also, most of the taxes were regressive.

1. Initial Remedies

To remedy the situation, the government in 1969 and 1970 abolished two of the local taxes, which had been paid primarily by farmers; took over expensive functions such as payment of teachers' salaries and maintenance of roads, health centers and water supplies; and imposed a national sales tax to be paid largely by urban people. These measures corrected inequities but left the local governments with greatly lessened tax and expenditure authority.

2. Central Control over Revenues and Allocations

The subsequent decentralization program, as noted earlier, abolished the local governments. The new local authorities which were established in their place are entirely responsible to and receive all their funds from the central government. What little revenue they still collect is on behalf of the government.

Although it was intended to give the local authorities substantial responsibility for determining how to spend these funds, this does not appear to have happened. Rather, the districts and regions tend to

emphasize social infrastructure in their development requests, whereas the prime minister's office and the treasury counter by allocating more funds than requested for directly productive investments.

On the recurrent expenditure side, the regions have received less than they requested, forcing them to seek supplementary funds. However, because of rigidities in the recurrent budgets for personnel and maintenance costs, the sectoral allocations in the end have been proportional to the requests which emphasize social infrastructure.

3. Decentralized Budget Implementation

The funds received from the center must be used for the purpose allocated, but the regions and districts do have limited authority to reallocate funds without prior central approval. Regional and district tendering authority has been greatly expanded, speeding up budget implementation. However, a shortage of trained staff and the preference accorded public sector contractors have opened the door to corruption and slackened cost consciousness. Procurement also has suffered under decentralization because of coordination problems and improper budgeting by untrained officers. The government is seeking to overcome these problems through strengthened regional trading companies.

4. Inter-Regional Equity

Poorer regions are receiving a larger proportion of budget funds than in the past. Nevertheless, regional budgets still constitute only one-fifth of the national total (central and regional budgets combined). Moreover, "parastatal" investments by crop authorities and industrial development banks continue to favor richer regions. It should be noted, however, that the regions' share of available resources is increased by central financing of cost overruns, by

foreign assistance to regional programs which shows up in central ministry budgets, and by self-help labor contributions. /7

5. Recurrent Cost Problems

A major long-term constraint to expansion of social services is that even with foreign donor assistance in financing initial project costs, the recurrent expenditure requirements for the new services-- which are covered almost entirely by the central government-- far exceed revenue projections. The policy of free social services is now under Tanzanian government review.

6. Financial Control Problems

The weakest element in the picture is financial control. Various devices such as plan guidelines, ceilings and standard costing have operated to squeeze the expenditure balloon on one end only to have it expand on the other. Among the reasons: recurrent expenditures are underestimated, standard cost estimates are out-of-date, and the regional administrators in their requests reflect national social services targets as well as the automatic preference given to ujamaa (collective) villages for social services, regardless of budget limitations. In addition, lack of trained accounting staff and administrative and communication difficulties have caused long delays in proper accounting.

C. Decentralization and Participation

A major objective of decentralization was to involve the people directly in the planning and implementation of development programs. Previously they had had little influence on district and regional planners and hence showed little interest in working on the planners' projects. As indicated above, this situation has improved, and local people now are able to make their decisions known. Both decentrali -

zation and the consolidation of dispersed populations into villages have contributed to this improvement.

1. Skewed Participation

However, the results to date of this increased participation raise serious questions about its ultimate social and economic value. The kinds of projects villagers submit for approval, and to which they are willing to contribute voluntary labor, are skewed toward social infrastructure such as water supply, health facilities and school construction. The people perceive these projects to be of direct benefit to them, in part, no doubt, because the government pays most of the operating costs. For projects whose benefits might be regarded as only slightly less direct, such as road maintenance and construction of teachers' houses, administrators have had to resort to fines and social pressures to generate self-help labor contributions. 8/

2. Compulsory Participation

It is possible that once essential social needs have been met-- particularly in newly created villages--people will feel more disposed to participate in directly productive and economic infrastructure projects. There is some evidence, however, that refusal to participate in these projects reflects widespread opposition to the villagization program per sé, or at least to its highly socialist character. Tanzanian authorities have sometimes had to use force to move people from their dispersed homesites to new villages and to get them to plant new crops /9 --a pattern not unlike that set by the German and British colonialists of yesteryear who forcibly drove Tanzanian peasants into plantations, and later compelled them to plant drought-resistant crops to avert famine. /10

3. Ujamaa and Agriculture

Although thousands of villages have been or are being created,* the ujamaa concept underlying villagization is catching on very slowly. For example, in Njombe District in southwestern Tanzania, out of a total of 450 ujamaa villages, the government last year ranked only five villages in the "A" category signifying the greatest progress towards ujamaa. Another 12 were ranked "B", and the remaining 433 were classified in the lowest "C" category.^{/11} The chairman of a "C" village expressed himself as follows:

With the ujamaa fields, people just don't work very hard. People say they are sick or just want to stay at home, or they come and just work for half a day. As a result this year we could only plant 18 acres of tobacco for the whole village. The final year before ujamaa, when we still had private fields, the total was 77 acres. With the small ujamaa field, some of the farmers will earn almost no money at all.^{/12}

Yields on collectivized fields have been reported to be consistently lower than on private plots.^{/13} As a result, the government has become less insistent on collectivization and is allowing more individualistic patterns of farming to take hold in the new villages. As of 1974, less than one percent of cultivated land was

* The exact or even approximate number is unclear. The World Bank states that the number of new villages rose from nearly 2,000 in 1970 to about 5,000 in 1974. However, Lofchie cites an estimate of 7,500 in 1974, adding the caveat that some villages may be "Potemkin" creations of regional officers responding to pressure from superiors.^{/14} to get on with villagization.

estimated to be collectivized. /15 Nevertheless, the pressure toward villagization continues, and successful "progressive" or "kulak" private farming-- even where this results from hard work and savings rather through borrowed capital or at the expense of small farmer landholdings--is regarded as "exploitative." /16 Lofchie argues that the progressive farmers were the mainstay of cash-crop grain production in Tanzania, and that their opposition to government policies led them to reduce production on their own fields. This contributed significantly to the grain crisis of 1974-75 when Tanzania had to import a whopping \$400 million worth of grain. /17* Yet the progressive farmers have the confidence of the poorer peasants. In fact, poor villagers frequently elect progressive farmers as their representatives to village development committees and to local TANU party positions. The representatives do their utmost to block collectivization, and reinforce their position by lobbying for improved social benefits for their constituencies. /18 The progressive farmers thus are not merely refusing to produce up to capacity, but are aggravating the problem of over-investment in social infrastructure.

To cope with these problems and at the same time maintain the country's socialist option, Lofchie suggests that Tanzania could adopt the Eastern European model of a largely capitalist, entrepreneurial agriculture--sufficiently regulated to prevent exploitation of the poor--combined with socialization of industry. /19

*Other causes of lowered production were low producer prices, poor rains, uncertainty about the timing and manner of villagization, disruption of planting during the move, and poor planning and technical problems associated with agriculture in the new villages. In 1975, prices and rains both improved, reducing the need for imports. /20

D. Conclusion

It is ultimately up to the Tanzanians to determine how to deal with the apparent ideological constraints to development. In the meantime, however, every effort should be made to avoid these constraints in designing aid projects for Tanzania. Let us assume that a foreign aid donor and the Tanzanian Government share a mutual desire to promote economic and social development in the country, and that they wish to operate through the decentralized system with maximum participation of the people. In the case of a social infrastructure project, the decentralized system as currently functioning clearly would lend itself to popular participation in planning and implementation. Payment of recurrent costs, however, would pose a serious problem. Unless the overall economy were generating sufficient revenues to permit the central government to absorb the continuing costs, it would seem advisable to build some type of self-financing arrangement into the project.

In the case of an economic project, particular care would be required at the outset to ensure that the participants and beneficiaries were ready to cooperate voluntarily. A project that rested on forced compliance would be unlikely to have a positive, lasting impact.

A village skills training program of the kind recommended by the AID team that visited Tanzania last summer would seem to offer the least risk of encountering local opposition or of engendering a recurring cost problem. /21

III. Decentralization in Ghana /22

The new Ghanaian decentralization program has only begun to be implemented, and the materials available to the writer do not permit an analysis along precisely the same lines as Tanzania. What follows is a discussion of the salient features of the Ghanaian model, a comparison with the Tanzanian one, and a summary of key decentralization issues being addressed by three AID projects.

A. Essentials of the Ghanaian System

Ghana's new system is an outgrowth of a variety of local government arrangements dating back to British colonial times. The previous systems were characterized by a strong central government with branches in the districts, and by weak local authorities, each level being concerned with its separate affairs. Attempts to strengthen local government in the 1950's and 1960's were inhibited by the small size of units, managerial incompetence, inadequate financial resources, and unclear definition of local responsibilities. During Nkrumah's time, local government was dominated by party functionaries. With his downfall in 1966, the system was subjected to a thorough re-examination, culminating in the Local Administration Act of 1971, as amended in 1972 and 1974.

Implementation of the new "Local Government Set-Up" began in 1974 but is still far from complete. The program involves the deconcentration of central ministries to the regional and district levels, the devolution of broader authorities to the district level, and the creation of strong, integrated units of local government,

1. Overall Coordination

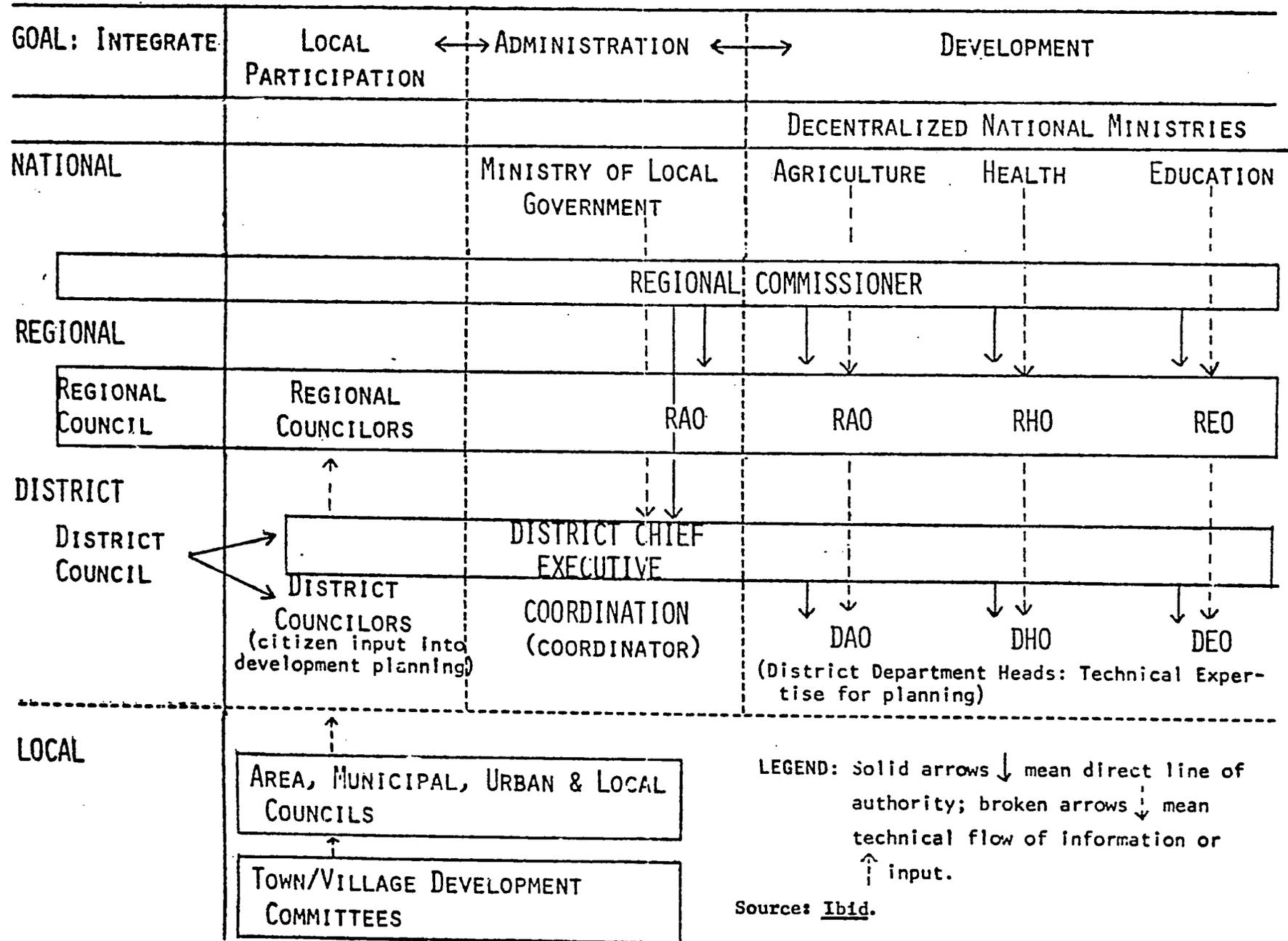
A Local Government Advisory Committee established policy for the overall decentralization program. The National Economic Planning Council, consisting of the commissioners of key economic ministries,

"OLD" SYSTEM OF LOCAL GOVERNMENT IN GHANA

LEVEL	LOCAL GOVERNMENT (ADMINISTRATIVE FUNCTION)	NATIONAL CENTRALIZED MINISTRIES (DEVELOPMENT FUNCTION)			
NATIONAL	MINISTRY OF LOCAL GOVERNMENT	AGRICULTURE	HEALTH	EDUCATION	SOCIAL WELFARE & COMMUNITY DEVELOPMENT
REGIONAL	↑↓ RAO	↓ RAO	↓ RHO	↓ REO	↓ RSWCDO
DISTRICT	↑↓ DAO	↓ DAO	↓ DHO	↓ DEO	↓ DSWCDO
LOCAL	↓ LOCAL COUNCILS	↓ LOCAL AGRICULTURAL EXTENSION	↓ LOCAL HEALTH WORKERS	OR SUPERINTENDENT ↓ LOCAL TEACHERS	↓ LOCAL COMMUNITY DEVELOPMENT WORKERS
NEED FOR GREATER CITIZENS PARTICIPATION		OFTEN VERY LITTLE CITIZEN PARTICIPATION IN SETTING DEVELOPMENT GOALS, PRIORITIES AND IMPLEMENTATION STRATEGIES; VERY LITTLE COORDINATION AMONG MINISTRIES.			

Source: Gerald E. Klonglan, Ph.D., "Social Implications of Decentralized Development-- The Ghanaian Case 1976--An Application of Social Soundness Analysis," Ames, Iowa, Iowa State University, June 7, 1976 (Report prepared for a presentation at the Development Studies Program, AID, Washington, D.C.)

EMERGING NEW SYSTEM OF LOCAL GOVERNMENT IN GHANA



formulates the national economic development plan, allocates resources for plan implementation, and supervises the regional and district efforts in planning and plan execution.

The make-up and functions of the four levels of decentralized authority are as follows:

2. Regional Level

Nine regional councils will be established in 1977. They will be made up of the regional heads of the deconcentrated ministries and of representatives of the district councils. Chairing the regional council will be the regional commissioner, an already established position with virtual cabinet rank. The council will have three main functions:

- to act as agent for the central government in planning and supervising national programs and development projects within the region;
- to supervise and coordinate the functions of the district councils so as to ensure an equitable division of resources and efficient management of public services within the region;
- to manage projects and services beyond the capacity of the district councils.

3. District Level

At the core of the program are 60 district councils which have been operational since January 1976. For the first time in Ghana's administrative history, the local and central government districts have been made coterminous; this will permit the merger of their respective staffs into one system.

District council membership consists of government appointees from the local area (two-thirds) and traditional representatives (one third). The council is chaired by the district chief executive.

who is named by the Ministry of Local Government. Eventually, it is anticipated that the members of district councils will be locally elected and select their own chairmen. The local heads of line ministries form the district planning committee and serve as *ex-officio* members of the council. The council's responsibilities, some of which previously were assigned to higher levels, are to:

- carry out 105 duties in public health, education, social welfare, agriculture, etc., as specified in enabling legislation;
- serve as the basic units of administration at the local level;
- act as sole taxing authority below the national level;
- assume primary responsibility for development of the area within the context of the national plan. This responsibility, however, cannot be fully met until the councils are given control of central government personnel and funds channeled into the district. In the meantime, the districts continue to be dependent upon the cooperation of the still separate field staffs of the ministries, and upon special grants to supplement meager local revenues.

4. Local Level

Area, municipal, urban and local councils will be made up of representatives of local development committees. Their function will be to:

- serve as consultative groups to the district councils;
- carry out specific functions delegated by the district councils;
- focus on special administrative and social problems of their areas (this applies to municipal and urban councils);
- stimulate and coordinate rural activities undertaken by town and village development committees;

- sponsor projects serving a number of villages;
- collect special taxes for local projects with district council approval.

5. Town and Village Level

Town and village development committees will consist of local inhabitants who have stature in the community and have demonstrated their interest and active participation in communal affairs. They will form the key link between the people and the district council.

Duties include:

- organizing self-help development projects;
- assisting in revenue collection;
- organizing and supervising general sanitation.

B. Comparison with Tanzania's System

The Ghanaian system differs significantly from Tanzania's in certain limited respects. Ghana's district councils exercise devolved rather than deconcentrated authority, collect taxes in their own name, and include as members government appointees and traditional representatives from the area (eventually to be changed to elected representatives) as opposed to local party chairmen and members of parliament. The parallel party structure present throughout Tanzania's decentralized system is absent in Ghana, which is run by a military government. However, a comparison of the above descriptions of the two systems indicates that these differences are less important than the striking similarities in the two countries' overall approach to (a) the decentralization of authority and resources to intermediate levels, and (b) the promotion of "bottom-up" participation in development.

C. The Role of AID

A key element in bringing Ghana's new system to full flower is extensive AID technical and capital assistance. The first of three projects, Economic and Rural Development Management, has just commenced. The second project, District Planning and Rural Development, is scheduled to begin in FY 1978. The third project, Rural Development Resource Support, is planned for FY 1979 implementation.

1. Economic and Rural Development Management

The purpose of this project is:

to establish the capacity within each region to provide training and consultancy services in planning, coordination and management for district and regional level officials and council members.^{/23}

With the help of four U.S. technical advisors, a team of three Ghanaian trainers/consultants will be established in each of the nine regions. Each team will be composed of a member from the Ministry of Economic Planning with regional experience, a member with district executive experience, and a member with rural development experience in the region. The regional teams will prepare and conduct seminar/workshops and provide consultancy services in planning, coordination and management of rural development projects for regional and district council members, district chief executives, and field representatives of the decentralized ministries. The training programs will be continually assessed and redesigned to meet actual local needs. Through the increased capacity at the district level, it is hoped to involve the people effectively in the rural development process.

A project coordinating committee provides interministerial coordination and policy guidance for the training program. Members

include top officials of the Ministries of Economic Planning (chairman), Local Government, and Social Welfare and Community Development, and of the Ghana Institute of Management and Public Administration. Complementing the AID project at the national level will be Canada's National Planning Project.

2. District Planning and Rural Development (DIPRUD)

This project will seek "to develop the capacities of the Atebubu District Council and its supporting system of local, regional and national institutions to effectively involve the district's population in the planning, management, implementation and evaluation of an integrated rural development program directed towards achieving the district's growth, employment and equity objectives."/24

The project design starts with the recognition that no one at this point knows the correct path to developmental change in rural Ghana. Hence the first action will be a study of the local production and social systems to determine the needs, potentials, and constraints in the district. On this basis it is planned to engage the district council and the people in the planning and implementation of a continuing development process. Both technical and capital assistance will be provided under this experimental project.

3. Rural Development Resource Support

Like DIPRUD, this project will combine loan and grant funds. It will:

- assist in developing the technical and planning capacities of the Brong-Ahafo regional government;
- replicate within the region ideas which prove feasible in the DIPRUD project;
- provide resources to extend DIPRUD infrastructure activities in adjacent districts to exploit economies of scale.

D. Conclusion

The project designers have identified several issues which the three projects must address:

1. Will the intended beneficiaries accept the need to change their behavior in terms of taking planning initiatives, committing their own resources, and adopting improved farming practices? The answer will depend to a large extent upon answers to the questions below.
2. Can resistance to change from vested interests, such as large farmers and private traders, be overcome?
3. Can the councils and village committees, with their appointed and traditional members, truly represent and mobilize the local population for development, or will this occur only when the representatives are made accountable through elections?
4. Will the ministries, while they still retain control of their personnel, continue to launch national and regional programs and shift field personnel without regard to district plans and needs? At the time of project development, the enthusiasm for decentralization varied from ministry to ministry.
5. Will the line ministries relinquish their control over funds and personnel to the district councils as envisaged? Such deconcentration is essential to give substance to the effort to involve local people in development planning and implementation. At present, however, there is no senior ministry with the necessary power to compel line ministry cooperation. Moreover, the Ministry of Economic Planning (MEP), which coordinates the Economic and Rural Development Management project, does not yet have effective links with the district councils. It does operate at the regional level, but a potential for conflict exists with the regional commissioners. The project paper

called for the training teams to be placed under the general direction of the regional commissioners so as to benefit from their prestige and authority. Now, however, there appears to be concern that the teams might become too closely tied to regional-specific interests at the expense of national concerns; hence the teams are being coordinated directly by the MEP.

These are difficult issues, any one of which could jeopardize the project if left unresolved. A hopeful sign is that they are being confronted in a pragmatic, open-eyed manner.

FOOTNOTES

1. Major source for this section is UNTA; other sources are Hicks and Maddick.
2. Hicks, p. 437.
3. Except where otherwise noted, the source for this section is IBRD Report No. 587-TA.
4. Berry, Conyers and McKay, pp. 106-107.
5. IBRD Report No. 587-TA, p. 2.
6. Except where otherwise noted, the source for this section is IBRD Report No. 587-TA.
7. Weaver and Blue, p. 5.
8. Ibid., p. 43.
9. Lofchie, p. 496.
10. Ingle, pp. 41, 46-47.
11. Honnold, p. 11.
12. IBRD Report No. 541a-TA, p.ix; Lofchie, pp. 485, 497.
13. IBRD Report No. 541a-TA, p. 34.
14. Honnold, p. 11.
15. Ibid.; Lofchie, p. 485.
16. Lofchie, pp. 490, 498.
17. Ibid., pp. 483, 492-493; AID, p. 107.
18. Lofchie, pp. 493-495.
19. Ibid.; pp. 498-499.
20. IBRD Report No. 541a-TA, p. 35; Lofchie, pp. 489-490; AID Submission to the Congress, p. 107.
21. Blue, p. 15.
22. Sources for this section include Akuoko-Frimpong; Bonsu; AID Project Paper (PP) and the Project Review Paper (PRP), AID Submission to the Congress, and a brief discussion with the AID project manager for the Economic and Rural Development Management project.
23. PP, p. 2.
24. PRP face sheet.

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3. Ibid., Fiscal Year 1977 Submission to Congress, Africa Programs, Washington, D.C. Feb. 1976, pp. 47, 107-108.
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12. Michael F. Lofchie, "Agrarian Socialism in the Third World - The Tanzanian Case," in Comparative Politics, Vol. 8, No. 3, City University of New York, April 1976.
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