Development Alternatives, Inc.

Building Capacity for Decentralization in Egypt: Some Perspectives

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PREFACE

The articles in this collection represent perspectives on some of the issues raised in designing and implementing a pilot training project to increase project management skills among governorate-level officials in Egypt. Both the design and the implementation have been undertaken through the Organization and Administration of Integrated Rural Development Project, a four-year contract with the Office of Rural Development and Development Administration of the U.S. Agency for International Development.

The design that is to be implemented between June and December 1981 benefited from two field visits by IRD project staff. In December 1980, James Mayfield served on a team assessing existing project management skills in the Egyptian bureaucracy. In May 1981, David Lewis spent a month in Egypt designing the pilot project and devising an implementation schedule. Portions of their reports are contained in this volume. In both cases, cost were shared with USAID/Cairo.

Several valuable insights resulted from work carried out by DAI staff in the summer of 1980 to develop a monitoring and evaluation system for the Basic Village Services Project. Two excerpts on that work are included here.

The other articles in this collection are culled from papers prepared for, and supported by, the IRD project, though not specifically concerned with the pilot project design in Egypt. The willingness of the authors to allow their works to appear in dismembered form is appreciated.

This volume received the thoughtful attention and critiques of collegues Tony Barclay, George Honadle, and Mary Beth Wertime. Rima Silenas, Carol Kulski, and Cereta Dudley turned the variety of scribbles into readable text. Despite the best efforts of these individuals, the remaining errors of ommission and commission are the responsibility of the editor who wielded the cleaver.

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SELECTED LIST OF TERMS AND ACRONYMS

Basic Village Services (BVS)

A USAID-funded project to provide grants for village level infrastructure development and local capacity building. The infrastructure development component is intended to undertake construction of potable water systems, feeder roads, sanitary drainage, pilot energy projects, and the like. The capacity-building component contains funds for technical assistance in project design, implementation, and evaluation, and training, both in-country and in the United States. The BVS project is coordinated by the Interagency Committee, and receives part of its funding through Title III of P.L. 480.

Governorate

The highest level of Egyptian local government, falling just below the national and nascent regional levels, and composed of many village council and markaz units. It is analogous to state or provincial governmental subdivisions in other countries. There are 26 governorates in Egypt.

Interagency Committee (IAC)

A committee composed of representatives of the ministries most directly concerned by the interventions of the Organization for the Reconstruction and Development of the Egyptian Village, (planning, economy, finance, agriculture, local government), ORDEV itself, and USAID. This committee is charged with the policy formation and supervision of ORDEV's administration of the BVS program.

Local Development Fund (LDF)

A USAID-funded program of loans made to village councils in order to permit them to undertake income-generating projects (beekeeping, olive pickling, carpentry, and so forth). This program directly supports the policy of decentralization in giving opportunities for management experience, thereby (hopefully) strengthening local capabilities. This project is also called Decentralization Development I (DD-I).

Local Executive Council (LEC)

The appointed administrative unit of a village council which is made up of a designated chairman and the highest ranking members of the agriculture, security, education, health, social affairs, and housing ministries assigned to the village council.

Local Fund for Service and Development (LSF)

An account created by Law 52 of 1975 which is held in the village bank entirely under the control of the village council. Village council revenues and expenditures are run through this account, as are locally-designed and locally-implemented development projects. Funds put into this account do not revert to the central treasury at the end of the year.

Local Popular Council (LPC)

The elected governing bodies of village, markaz, and governorate political subdivisions. Local popular councils for village council units are composed of 17 residents of the central and satellite villages of the council area. Local popular councils also exist for the markaz and governorate administrative units.

Markaz

A level in the Egyptian structure of local government between the village councils and the governorates which is composed of four to eight village council units and which composes, with a number of markaz, a governorate.

Although the best English translation of this word is often suggested to be "district," the authors of papers in this collection have decided to use markaz in order not to confuse this unit with another administrative unit which is sometimes referred to as "district" (qism).

While the formal plural of the word is marakez, markaz is used as both singular and plural in these articles.

Organization for the Reconstruction and Development of the Egyptian Village (ORDEV)

An agency under the Ministry of Local Government which is charged with the coordination (and sometimes the administration) of rural development programs. ORDEV is the administrative channel through which the BVS and the LDF are run.

Village Council

The lowest level of the Egyptian structure of local government which is composed of a number of villages and

hamlets. The administrative structure of the village council is composed of an elected and an appointed council, both of which are presided over by a chairman. The appointed council includes a number of line ministry representatives.

INTRODUCTION

INTRODUCTION

Providing technical assistance to a component of Egypt's national decentralization program has raised a number of challenges of both a theoretical and operational nature for the Organization and Administration of Integrated Rural Development Project. On the theoretical level, the challenge has been to identify and crystalize the linkage between decentralization efforts and building the capacity of local level institutions to design, implement, and evaluate the projects and programs for which they become responsible. Forging the link between decentralization and capacity building has also required examination of the relationship between decentralization and local participation initiatives, as well as increased clarity on what decentralization means and what benefits can be expected.

On an operational level, the challenge has been to design and implement a pilot training project for governorate-level officials--to build governorate level capacity in project formulation and execution by enhancing skills. Designing an appropriate and feasible pilot project has entailed an assessment of the status of Egypt's decentralization program, an understanding of existing project management skills, and an analysis of training approaches in general.

The articles in this collection represent responses of project staff to some of the theoretical and operational challenges presented in designing the pilot training project. Part one provides a theoretical orientation by defining decentralization, capacity building, and the relationship between the two. The three selections in part two give the background to the decentralization strategy in Egypt. Part three provides two critques of traditional training strategies and offers alternatives. Part four provides two designs for projects which respons to the needs identified in part two and three. One of the two designs is the pilot training project.

While there are themes common to all the articles, it is more accurate to consider them as perspectives on various aspects of the problems posed by this technical assistance effort. As perspectives, not all of these articles are focused specifically on the design of the pilot project. Rather, because the pilot project raises several seminal questions about training, capacity building, and decentralization, it is hoped that the breadth of these selections will provide some insight into the complexity of the problem and underscore the need for a theoretically well grounded, and operationally sound response.

In sum, this work is intended to provide the ingredients for a coherent approach to project management training in Egypt and is a first effort at blending the ingredients into a feasible pilot project. But this design is only the first step. In the course of implementing and evaluating the pilot project (June-December

1981), lessons will emerge that will be fed back to improve the theoretical understanding and operational effectiveness of any future capacity building or project management training program in Egypt or elsewhere.

PART ONE

BUILDING CAPACITY FOR DECENTRALIZATION: THE THEORETICAL BASIS

INTRODUCTION TO PART ONE

Perhaps the most notable feature of discussions about decentralization is the unusual level of consensus of its efficacy by a wide spectrum of political thinkers. As Elliott Morss notes in his essay reviewing some of the more recent contribution to the discussion of decentralization in developing countries, this political consensus is more the result of definitional imprecision than shared political vision. In the midst of such a definitional haze, implementers have been forced to examine three core questions: what is meant by decentralization, what are the expected benefits to be achieved by decentralization, and what prerequisites, or conditions, are there for implementing decentralization successfully. In his essay, Morss summarizes the responses to the first two questions offered by two AID-funded projects dealing specifically with decentralization.[1] Some tentative conditions for successful decentralization in response to the third question can also be found in recent literature (Regional and Area Development Project 1980: 56-92).[2]

The working definition of decentralization that Morss offers to implementers is the devolution of power and control of development intiatives to lower-level institutions. The goal of devolving power and control--empowerment--is the common denominator Honadle and Gow find at the heart of decentralization, participation, and capacity building efforts. The significance of this observation is that capacity building offers decentralization a compatible implementing--and training--strategy. The term training is used advisedly because, as Honadle and Gow state, capacity building is not just training. In its attention to substantive elements of incentive structures and resource controls, capacity building shares with decentralization a concern for power and control. Of course, capacity building has implications for how training is conducted. That subject is raised in part three. The aim of part one is to provide the theoretical basis for pursuing a capacity building approach to implementing decentralization.

WHY DECENTRALIZATION: AN OVERVIEW

ELLIOTT R. MORSS

Theoretical Framework

The first question concerns what decentralization means and why it is now being promoted so strongly. Cohen and others (1981:1) make the following point:

> Clarity, of course, corrodes consensus. The confusion that surrounds the notion of decentralization is a major reason for the extraordinary breadth and diversity of individuals and organizations that are now promoting decentralization as a major policy direction and goal. To name but some of the most prominent and incongruent: Richard Nixon, Charles de Gaulle, Herbert Marcuse; the French Socialist Party, the French "conservative" party; the British Labour Party, the British Tory Party; the French banks, the New Left, the New Right; Walter Wriston; and the list goes on and on.

They then make the cogent comment:

> What may be most important about such policy discourse is not the intellectual fact of its quality, but the political fact of its existence (Cohen and others, 1981: 2).

Cohen and others also talk of the importance of "vague associations of motivating images." All very true. But we are not politicians, we are the policy scientists, and we must search for useful operational meanings. What then, might decentralization mean?

When you stop to think or read about the concept, you realize it is a complicated subject. Indeed, the real challenge will be to remain clear on the main reasons for promoting decentralization and to assess its multifaceted dimensions accordingly.

In essence, decentralization concerns power and control. In our context, we are talking about power and control over planning and management of development initiatives. We are talking about the control of decision making as it relates to the planning and management of development initiatives.

Exerpts from an internal memorandum. Elliott R. Morss in director of research at Development Alternatives, Inc.

Decentralization is "in" as a slogan because it is believed that decisions made at lower levels will yield larger development returns than decisions made at higher levels within the context of this general thrust, the various types of decentralization have been fairly well categorized, and a commonly accepted vocabulary appears to be in ·.e (Regional Planning and Area Development Project, 1980: 14-20). On a spectrum ranging from a little to a lot, there is deconcentration, delegation, and devolution. Deconcentration involves increasing the workload/administrative burden further down the chain. For example, a line ministry might place more of its personnel in the "field." Note that this does not necessarily mean power and control move down the chain. Under the heading, there is a differentiation between integrated and unintegrated deconcentration; under the former, various line ministry field representatives are required to at least communicate their plans to one another. Unintegrated concentration entails line ministry extensions with no field interaction.

Delegation goes a step further than deconcentration in that some power and control over decision making is given up to lower level institutions. Examples of delegation include line ministries establishing quasi-independent entities to pursue certain activities and the creation of regional development authorities.

Devolution is the extreme case wherein all authority is passed to lower level institutions. With such a divestiture of authority, higher levels in a hierarchy would actually be eliminated. While one is hard put to think of specific cases where this extreme was actually tried, the following on what was to be attempted in Sudan could have interesting ramifications:

> Beginning in the next fiscal year [1978] the provincial budgets would be the basis of the national budget and residual funds from the consolidated province budgets would be allocated for central operations and development. Thus, province rather than central ministry expenditures would become the basis for national budgeting (Sudan News Agency, 1977).

One has to be skeptical of how far this initiative will actually get. As on scholar has observed, "as modernization increases, the trend is overwhelming and irreveribly tc rd more centralized structures in every case." Parts of this stems from bureaucratic tendencies to increase power and control; but part also stems from the general belief that a hierarchical structure is needed to get anything accomplished.[1] Speculations of this sort notwithstanding, devolution completes the spectrum of categories used to describe the "vertical" extent of decentralization.

Needless to say, there are a myriad other than decentralization dimensions that have been discussed; areal versus functional, for instance.

Assessing Benefits and Costs of Decentralization

Beyond the general rhetoric in support of decentralization there has been a considerable amount of analysis done on the pros and cons of decentralizing various types of activities. As an introduction into these issues, the following four-cell matrix of decision situations offered by Landau and Eagle (1981: 34-54) is interesting:

		Values-Preferences	
		Agree	Disagree
Factual Judgments	Agree	1. Programmed Decisions	3. Bargaining
	Disagree	2. Pragmatic Decisions	4.

The purpose of this matrix is to offer guidelines on how decisions should be made. It posits that this depends largely on whether there is agreement or disagreement on facts and values. A few examples will clarify this approach.

Assume that the center and lower level government agree that major trunk roads need improvement (values) and also agree on how this should be done (factual). Here, there are no issues left unresolved; this is a programmed (cell one) decision. Who should do the work would be part of the agreement and would be governed by considerations for economies of scale and the like. In such circumstances, a hierarchical structure is appropriate for implementation. A good illustration of this case is the agreements the U. S. Internal Revenue Service has entered into with various state governments such that the former reviews income tax submissions made to the latter. There, everyone agrees the tax submission should be reviewed and that the Internal Revenue Service is best equipped to carry out the review.

Another possibility is reflected by the cell two case: that government entities will agree on values/objectives, but disagree on the means by which to obtain these objectives. For example, the central and regional governments might agree on the most cost-effective way to bring this about. Let us assume the

disagreement stems from a lack of acceptable proof concerning the merits of alternatives. The sensible decision process in this case would be to make every effort to obtain whatever information is needed to make the right judgment. Landau and Eagle's view is as follows:

> A decentralized mode of decision making is an intelligent response to the constraints of cell two pragmatics. Reliance on "educated guess", the "best opinions of experts", the judgments of "experienced hands", extending to the ideas of those on the receiving end of program action, is a sensible methodology. Participation in this case protects against the conceits of office and illusions of certainty. It weakens resort to dogma, extends "freedom to analyze", and thereby raises the potential for error detection and correction. But, it must be stressed, judgments by "majority organs" are not, ipso facto, sufficient. The beliefs which inform them are problematical and the instruments chosen are, all too frequently, inadequate. These facts establish other compelling reasons to decentralize (Landau and Eagle, 1981:41).

The implicit but reasonable assumption underlying this assertion is that expert knowledge exists at different levels.

Landau and Eagle go on to stress the importance of research and experimentation to cover the knowledge gap. Here again, the emphasis is placed upon a pragmatic and flexible strategy that is not hierarchical in either structure or spirit.

Cell three is the case where the values/objectives differ among levels. For example, the center might place higher priority on increasing exports through capital intensive agricultural production in a region. In contrast, the region might favor employment creation and equity considerations and accordingly support a small holder production strategy. In such circumstances, the center might attempt and have the power to impose its decision on lower levels. Landau and Eagle point out the costs of such a solution, "it risks a vicious cycle of escalating conflict." Surviving centers recognize this problem and choose instead to bargain to some point of mutual accommodation: coercive force is generally displaced by bargaining arrangements that seek to reconcile and accomodate differences, producing a considerable de facto decentralization. Wildavsky (1975: 4) adds: "budgets are mechanisms through which subunits bargain over conflicting goals, make sidepayments, and try to motivate one another to accomplish their objectives."

This is a strikingly realistic portrayal of what seems to happen in developing countries, and the extent to which budgetary bargaining takes place reflects on important dimensions of the degree of decentralization, measurement problems notwithstanding.[2]

In cell four, there is both disagreement over values and facts. Landau and Eagle talk ominously about "degeneration into warfare." In actual fact, many central and lower level governments are in this cell. They bargain--opting for the cell three solution--because they perceive the costs of other alternatives to be extremely high.

Enough examples of how the matrix works. In essence, it is an attempt to offer some normative guidelines and a behavorial explanation of why issues arise among affluent government institutions and how they are likely to be resolved.

There is a large and growing literature limited to the normative question on where government authority should reside. The approach taken by most writers on this subject is to ask the question on a function-by-function basis. For example, national defense and foreign policy would appear to be totally a center responsibility. So also, where an issue crosses lower level government borders, such as a national system of roads, it is agreed that the center should have ultimate decision responsibility.

Things are not nearly so clear-cut for other issues. Some will argue that because skilled government manpower is in such short supply in developing countries, all development initiatives should be developed at the center where the limited talent simply must reside (we all know the shortcomings of this approach). Some writers address the question from the standpoint of insuring that national standards in quality of services and inter-regional equity considerations; while other talk in terms of economies or diseconomies of scale that result from locating at the center or at a lower level.

The important points for us coming out of all this work is that the decentralization "technocrats":

- Do not talk about decentralization in aggregate terms;
- See that there are both costs and benefits associated with centralists and lower level control.

LINKING DECENTRALIZATION AND CAPACITY BUILDING

GEORGE H. HONADLE
DAVID D. GOW

Up The Bureaucracy

Recent literature on government employees working in rural development is damning, "poorly trained, poorly motivated, poorly supervised, and poorly served by logistical supply systems" (Esman and Montgomery, 1980). Since most development agencies came into being long before "participation" or decentralization became part of the dominant development paradigm, many of these agencies were designed for the more centralized, control-oriented needs of colonial powers, and the agency's structures, systems, and norms posed important barriers to effective participation and antithetical to decentralization (F. J. Korten, 1981). Furthermore, as weak, newly independent central governments attempted to engage in "nation building" and bring their peripheries under control, bureaucratic practices became even more rigid.

For example, nearly all agricultural extension services are government run and function according to a standard set of procedures, rules, and precedents which engender both inflexibility and slow response to field needs. Both prospects and incentives, particularly for those working in the field, are typically bad. Often it becomes more important to please immediate superiors than to do good work in the field by yielding to the bureaucratic emphasis on documenting the completion of facilities, training of farmers, or disbursement of funds rather than concentrating on the impact of such activities (Jiggins, 1977).

With such incentives there is little to encourage bureaucrats to look beyond procedural compliance. Just as the small farmer wishes to minimize risk, so does the bureaucrat.[1] A case in point is credit, where the key indicator of performance is often the default rate--not because it says anything about productivity, but because it is administratively convenient. In order to avoid default, it is safer to lend to those with obvious collateral, in this case the larger farmers who, it so happens, are also more likely to default. But performance is not the measure used by bureaucrats; their risk is related to fiscal accountability rather than impact. As Blair (1978) states:

Excerpted from Honadle, G. H. and D.D. Gow. 1981. "Putting the Cart Behind the Horse: Participation, Decentralization, and Capacity Building for Rural Development," unpublished paper. George H. Honadle is codirector, and David D. Gow is a core member of the IRD project.

> What is relevant is that the bureaucracy be able to defend itself against a charge of fiscal irresponsibility in its distribution policy by showing that it lends only to the 'best' credit risks--those with the collateral to repay loans.

This example indicates the obvious need for strategies to reorient the behavior of program implementers.

Given the discouraging evidence, there is a great temptation to say "a pox on your bureaucracy" and to bypass the public sector all together. However, small farmers need the bureaucrats--perhaps more than the bureaucrats need small farmers. Indeed, for each case of "bureaupathology" there is a corresponding case of "acute localitis." This latter ailment can be alleviated only with assistance from outside the community (Cleaves, 1980; Esman and Montgomery, 1980: 213). The major symptoms are:

- Development resources controlled and manipulated by local elites for their own ends;
- Coopted elites practicing "majority discrimination" against the rural poor;
- Villages which cannot be effectively developed by local leadership; and
- Local organizations which are extremely limited in financial resources and management capabilities (Montgomery, 1979).

Thus, programs designed to bypass government bureaucracies may produce parallel complications in the community setting; the actors change but the problems remain. Given the need to transform implementers--be they bureaucrats, local elites, technicians, or entrepreneurs--into more effective development agents, the question is, how is this to be achieved? Field experience suggests four general strategies:

- Through an authoritarian management style;
- Through a participatory management style;
- Through decentralization; and
- Through capacity building.

Experience with each of these strategies is discussed in the sections that follow. It should be kept in mind, however, that these approaches are not all mutually exclusive. In fact, the last three are mutually supportive.

. . .

Decentralization

In most developing countries, the government is seen as the provider of development resources. Given this, there is no point in villagers developing project ideas until local government officials are prepared to work with them to procure the necessary development resources from the government. At the same time, there is no point in getting decentralization efforts far ahead of participation efforts for, in this case, the result will be that lower-level government officials will end up designing and implementing all the projects.

Participation and decentralization initiatives will, therefore, have significant political implications. Broader participation is likely to change the use and allocation of resources among social groups; indeed, this is often why participation is advocated (Uphoff, Cohen, and Goldsmith, 1979). Decentralization will both offset power relations within government as well as affect the distribution of resources among social groupings (Chambers, 1974: 113).

The crux of the problem lies in the extent to which the central government is willing, or can be convinced, to devolve authority to lower levels. Unless there is the political will at the national level, there is little chance that decentralization will actually occur. Even when this will exists, effective implementation may be extremely difficult if the government has to deal with powerful line ministries or if it exercises only nominal control in rural areas (Regional Planning and Area Development Project, 1980).

Blair (1978: 72), while admitting that the political and economic problems of rural development may be soluble, confesses that the issue of decentralization may not be:

> In rural development, the contemporary version of the center-periphery conflict lies in the area of supervision. There must be control from the top, yet there must also be flexibility at the bottom, and the two needs are fundamentally contradictory. If there is too much autonomy from control, rural development goes astray, with the benefits going to the rich. And if there is too much emphasis on supervision from above in administering government programs, rural development also goes astray, with the benefits again going to the rich. Finding the right mix of supervision and autonomy is probably the most difficult bureaucratic problem there is in the whole field of rural development.

This view is overly pessimistic, however, and it is not fully substantiated by recent development work where decentralization is being pursued. What is substantiated is the ever-present pressure

from central government line ministries to promote their own development ideas, since this is essential for their continued power (Morss, 1980). What may be required then is some form of controlled decentralization. That is, the center must maintain a modicum of symbolic control while giving field personnel the autonomy and resources to demonstrate their capabilities (Chambers, 1978).

Controlled decentralization requires both strong linkages and shared responsibility between the center and the periphery. Such an arrangement is unlikely to be viable in a country with a weak central government since it often leads to subversion of program goals when the center has little control over the penalities necessary to elicit compliance (Grindle, 1980). Nevertheless, there are some settings where it might work.

Susan Hadden (1980) provides an illustrative case study from Rajasthan, India, of how such controlled decentralization can be implemented successfully. There the center has a virtual monopoly on funds for rural development projects while the states have formal constitutional authority. In the case of rural electrification, central power is largely limited to review of large projects and coordination of those involving more than one state. At the state level, there is a State Electricity Board (SEB), an autonomous technical body within the state government, which receives some funds from the state but also raises capital on the open market.

Prior to 1969, the SEB in Rajasthan operated under the assumption that rural electrification was a technical problem to be solved by technicians. As a result, the SEB isolated itself from other state agencies and potential beneficiaries and used only information provided by its own engineers in selecting villages for electrification.

In the late 1960s there was increasing pressure to decentralize electricity planning and bring it into line with other rural development efforts. This added social and political criteria to the technical and economic ones previously used. In 1969, District Agricultural Production Committees (DAPC), which included politicians, administrators, and technicians were given the power to select villages for electrification. This produced an increase in adherence to political criteria, primarily as a result of the increased accessibility of decision makers. Since many more villages qualified under the stated economic criteria than could be electrified in any one year, the DAPCs were able to expand the criteria and include the concerns of local constituents. Although the DAPCs could not countermand the criteria imposed nationally, they were able to choose among priority concerns within the general guidelines.

Such controlled decentralization may strike a viable balance between the center and the periphery, retaining the best features of centralization and decentralization in the following ways (Hadden, 1980:188-189):

- By combining the long-range perspective of the center which establishes technical criteria with the short-range perspective of the local context which establishes additional political criteria;
- By stimulating officials to be more responsive to the local population;
- By increasing efficiency; and
- By achieving both economic and political goals.

However, there is also the danger of decentralization commonly recognized by bureaucrats and peasants alike. That is, responsibility may be transferred to those without the ability to carry it out. The resulting failure will be used to justify recentralization and the return to an authoritarian style. Thus decentralization is not likely to work unless it is accompanied by building local capacity.

Capacity Building

New responsibilities require new skills and new skills mean a need for training. Thus one result of decentralization is usually an identified requirement for training as a way to build capacity. In fact, capacity building is sometimes equated with training.

But capacity building is not just training. The importance of this fact is illustrated by experience in Tanzania. District officials there had received training in the use of project design methods. At its conclusion, the participants praised the quality of the workshop. However, they also posed a critical question: why should they use the new methods when they knew that the projects chosen to be funded were selected on the basis of criteria unrelated to the use of these new techniques? Thus training individuals did not automatically increase organizational capability.

This demonstrates the need to increase the stock of organizational resources and the concomitant necessity of critically examining incentive systems guiding the behavior which surrounds the use of those resources. It must also be remembered that the rationale for capacity building is not just use of techniques or more efficient implementation; rather it is the need to use implementer empowerment to help achieve self-sustaining development.

. . .

When organizational incentives do not support clientele empowerment or the use of skills and resources in appropriate ways, no change will occur. For example, when administrative procedures reward nonperformance, that is what can be expected. An example is reported from Aceh, Indonesia. There, responsibility for each project vehicle is assigned to one individual. That person receives, in cash, a standard monthly allotment to cover fuel and routine maintenance costs. Though the practice does minimize false expense claims, it provides a strong incentive not to make frequent trips to isolated rural areas, because this increases both fuel costs and the likelihood of minor repairs. Since any costs which exceed the allotment must come from the individual's own pocket, the procedure is an effective deterrant to delivering services to rural areas, monitoring fieldwork, or working collaboratively with villagers (Honadle, 1981b).

Capacity building, then, requires a critical analysis of the incentives and penalties which guide the behavior of bureaucrats and villagers. Furthermore, empowerment involves redesigning those elements of the system which inhibit appropriate performance and long-run development.

. . .

There have been lessons learned in the attempts to develop capabilities of governmental and community organizations. For example, a recent study of experiences in five Asian countries suggests that organizations go through a three-phase learning process. First, they learn to be effective in their internal tasks and in their interactions with the environment. Next, they learn to be more efficient in those activities. And finally, they expand their portfolio either by entering geographic areas or by engaging in new functions (D. C. Korten, 1980).

Another study in Latin America concluded that successful organizational strengthening invariably began with a simple focus on a single function requiring cooperation and utilizing skills already possessed by organization members (Tendler, 1976). A study of 36 development projects in Africa and Latin America found that risk-sharing and two-way communications were important factors contributing to self-sustaining development (Morss and others, 1976).

Experiences such as those above suggest that there are both process and substantive dimensions to capacity building. Characteristics of a good process are:

- Risk sharing;
- Involvement of multiple organizational levels;

- Collaborative implementation styles;
- Demonstration of success; and
- Emphasis on learning.

These characteristics underlie the previous discussions about decentralization. Additional substantive factors must also be considered:

- Incentives for behavior; and
- Organizational resources.

These last two items address the Tanzanian question (incentives), and they also confront the political nature of capacity building (resource control). Consequently, they imply the need both to understand the structure of social relationships and to build on an established base.

The point to be emphasized is that strategies founded on bureaucratic whipping boys are not likely to achieve long-run success. While civil servants, the rural poor, local elites, and entrepreneurs all have legitimate claims on development benefits, they do not all have an equal ability to press those claims. Until this is accepted, spectators and proselyters alike are not apt to have any better diagnoses than they have had to date. Bypass operations have a very poor record in social surgery.

Recognizing this, capacity building is based on preexisting skills, resources, and organizations. This avoids the enclave mentality reminiscent of the institution-building school of the 1960s.[2] Instead, the emphasis is on such factors as folk management practices (Iversen, 1979) and traditional resource utilization patterns (Klee, 1980).

The question of resource bases is a central issue along with incentives. Without control over resources, exhortations for participatory management or decentralizaton are hollow and irrelevant. The essence of both empowerment and capacity building is resource control. This remains true regardless of whether the focus is on the public or private sectors, or whether it is at the national, provincial, project, or community levels.

PART TWO

BUILDING CAPACITY FOR DECENTRALIZATION: THE EGYPTIAN CONTEXT

INTRODUCTION TO PART TWO

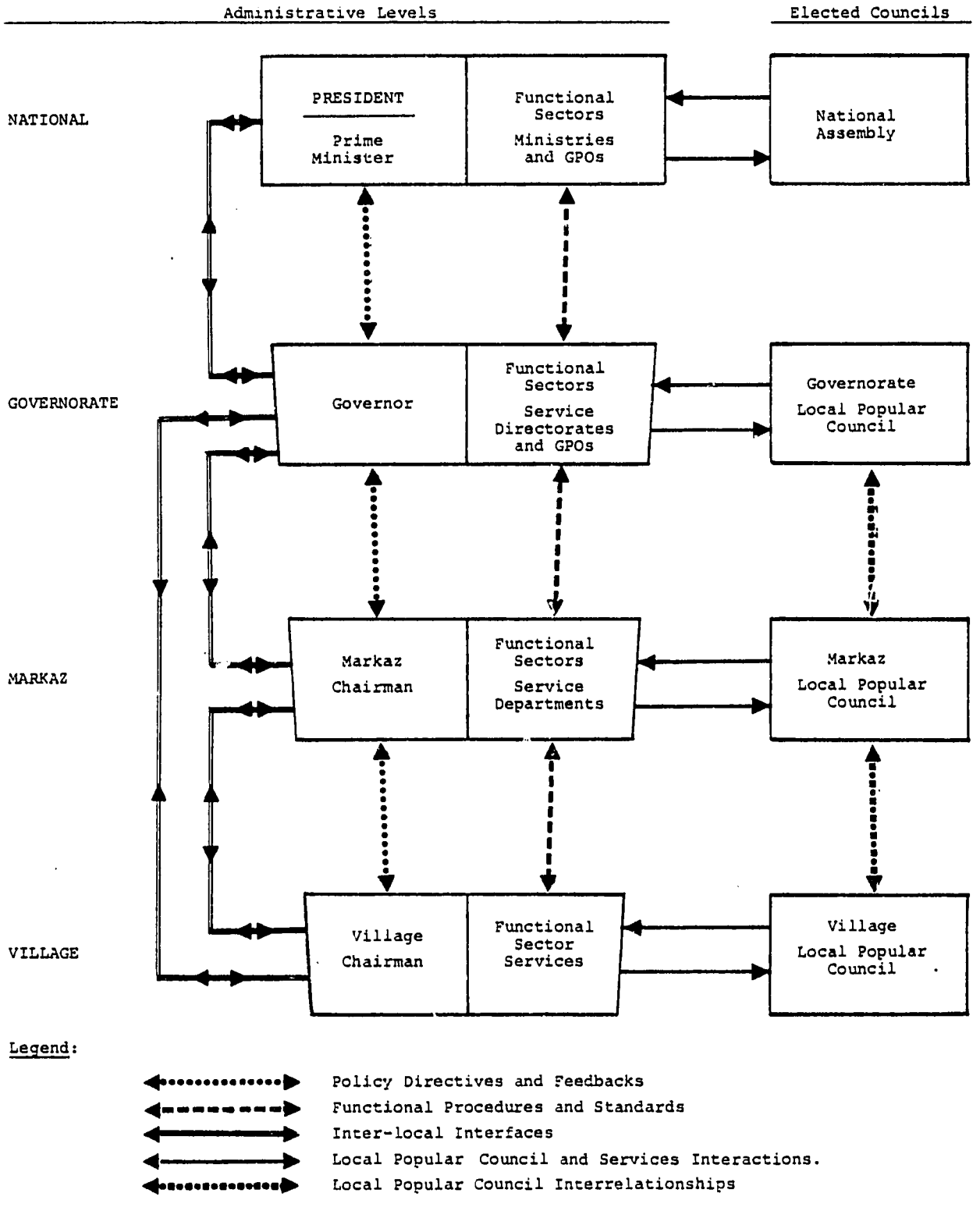
Egypt's 3,000 year histroy of centralized rule is one of the longest in history, reaching its apex only recently, during the late 1960s (Baer, 1969; Abdel-Fadil, 1975). In his essay, Fowzi Yunis chronicles the successive attempts, beginning in 1960, to begin decentralization. His focus is on the statutes that provide the legal and organizational framework for decentralized government. To be sure, the statutory perspective is an idealized one; the most meticulouly designed plans are often the most susceptible to implementation failure. Nevertheless, Fowzi Yunis' description not only indicates a learning process, an effort to meet the shortcomings of the previous structures in successive attempts, but demonstrates an appreciation of some of the theoretic underpinnings of decentralization mentioned by the authors in part one.

One lesson the Egyptians have incorporated from the beginning is the realization that to have any credibility or viability, local level institutions need control over resources. There was provision for local taxing authority in Law 124 of 1960, and the Local Fund for Service and Development created by Law 52 of 1975 is an account for local revenues and central government contributions which does not revert to the central government at the end of the year. Even so, Fowzi Yunis concludes that more local financial autonomy is necessary and appropriate.

In addition there are a number of similarities between the governmental structure that have evolved through Law 52 of 1975 and Law 43 of 1979 and the controlled decentralization strategy Honadle and Gow advocate. The Egyptian central government still maintains a planning and coordination role; the local levels are given increasingly more discretion over initiatives with the hope that the mandated interation between local level bureaucrats and political leaders will result in greater responsiveness (an organizational table is shown in figure 1).

Into this discussion of theory, Mickelwait and Eilerts and Mayfield with Charle inject some reality. The brief excerpt by Mickelwait and Eilerts underscores the trusim that theory and reality rarely coincide. In this case, the decentralization program is proceeding unevenly. While there are a number of elements working in favor of decentralization, there are a number of constraints as well.[1] The description of the Egyptian bureaucracy provided by Mayfield with Charle examines more fully one of the major constraints to decentralization--a bureaucracy conditioned by centuries of centralized orientation. The one-way information flows, the stagnant superior-subordinate relationships, the ingrown and self-perpetuating promotional criteria all add up to a serious challenge to decentralization. However, much of the problem seems to be an issue of incentives and not of

Figure 1. Public Administration in Egypt, 1980



training. By most assessments, including Mayfield's, Egyptian bureaucrats are technically competent, but they lack a incentive structure that fully exploits that training, and as decentralization progresses, they increasingly lack necessary project management skills. The implication of this observation, which is elaborated in part three, is that an effective training strategy should emphasize management skills and not technical training, and it should be extremely sensitive to the role of incentives and the environment in which the bureaucrat functions. In short, it should be capacity oriented. The further implication is that if such training is successful, the bureaucracy will no longer be such an impediment to decentralization.

THE LEGAL BASIS OF EGYPTIAN DECENTRALIZATION: A HISTORICAL REVIEW

ALI FOWZI YUNIS

The structure of Egyptian government over most of its history has included a strong element of centralized decision making. The earliest rationale for a centralized structure was derived, no doubt, from ancient imperatives for the control and use of the Nile as a source of irrigation. In addition, the compact pattern of settlement that closely follows the Nile Valley, poses no greater problem of control to the many central authorities which have since been powerful enough to impose themselves. Thus, the movement to a more decentralized system is confronting a strong tide of centralism deeply ingrained in the people and institutions of Egypt.

Starting from the beginning of the twentieth century, other forces became dominant and the beginnings of a gradual shift to a more decentralized system came to be seen. Even before the revolution of 1952, Egypt practiced certain experiments in local administration, yet they were limited to a very few geographic areas, as well as to only certain secondary services. In fact, the granting of some form of local status to provinces, towns and villages was not made statutory until 1923 when the country gained its independence from foreign occupation and a constitution was issued. That constitution acknowledged provinces, towns, and villages as the ingredients of the local government system in Egypt, and vested them with corporate status. It also laid down the guidelines by which their structures, responsibilities, finances, and interrelations with central authorities were later defined. However, the power vested in such administrative units was mainly consultative, and they were dominated by the central government.

After 1952, the new regime realized that the huge reforms to be carried out in different fields of Egyptian life were beyond the capacity of a central government, and thus, decentralization came to be regarded as one of the more rational courses of action

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Excerpted from Mickelwait, D. R. and other. 1980. Monitoring and Evaluating Decentralization: The Basic Village Services Program in Egypt. Washington, D.C.: Development Alternatives, Inc., chapter 1, pp. 19-35. Ali Fowzi Yunis is Minister of State, Ministry of Local Government, Egypt.

available. Consequently, in 1960, the country witnessed the creation of the first comprehensive system of local administration through a law (No. 124/1960) promulgated in that year.

Law 124 of 1960

Law 124 of 1960 created a network of local councils all over the country, councils whose majorities were comprised of elected members and which were complemented by a few appointed members and some ex-officio representatives of competent authorities. At the same time, it was realized that the incorporated system could only be regarded as one step towards the implementation of a true system of local government.

This law tried to lay the foundations of a more effective system of administration by dividing the country into 26 governorates, 134 cities and towns, and 4,222 villages. Units of local administration were represented by councils at three levels: the governorate, the town, and the village. The following table illustrates the formation of these councils, as stipulated by Law 124/1960.

It is quite evident that Law 124/1960 took into consideration the fact that eight years of revolutionary rule had offered an acceptable basis for the introduction of a system that partly, but not completely, resided on the election of representatives at various levels. Several other characteristics of the system, however, showed that the law was merely instituting a partial administrative reform, rather than a full application of the principle of local government. The most basic of these characteristics was that the governor was appointed by the president to head the executive mechanism within the governorate, as well as the partly elected local council.

The Law of 1960 did, however, lay important groundwork by officially delegating several administrative functions to local units. These included some responsibility for predominently local functions in education, public health, public utilities and housing, social activities, cooperatives, labor, agriculture, food supply, communications, economic development, and certain police services.

It also did not neglect to offer some basis for generating a local financial base by providing two major sources of revenue to the local village units:

- Tax-based resources which consisted of charges that local authorities were empowered to impose on citizens within the area of their jurisdiction. Examples of such charges were the Land Tax, the Building Tax, Common Fund Duties, Licensing Fees, and the Special Assessment (appreciation) Duty; and

Table 1. Law 124 of 1960

Level of Council	Members			Chairman of the council		Remarks
	Elected	Appointed	Ex-Officio	Appointment	Period	
Governorate	4 - 6 for district	Up to 10	9	—	—	Presided by the Governor
Town	20	Up to 5	6	By the president	—	
Village	12	...	6	By the minister of local admin.		1 large village or a few small villages

- Non tax-based resources, which comprised grants from the Treasury, revenues from the rent or sale of state property, the net income of state markets in the region, revenues from local public enterprises, loans, and voluntary donations.

Law 57 of 1971

In May 1971, President Sadat declared that a main objective of the May Revolution under his leadership was to establish a modern state that comprised a number of local, public institutions. People were to be given a greater role in running their local affairs through the election of local councils at different levels. Consequently, Law No. 57 of 1971 for local government was promulgated to provide the establishment of two councils at the governorate level: the People's Council and the Executive Council.

The People's Council was vested with limited power to suggest policies, manage public services of a local character, and to practice a form of supervision and follow-up. This new experience proved to be quite promising, in spite of the several problems it faced, especially in that it gave local communities a right to make decisions in a wide variety of local matters, thus relieving the central government and ministries of some of their administrative burden.

Law 52 of 1975

Later, and in the light of problems found in implementing Law 57 of 1971, Law 52 was promulgated in 1975 to the effect of vesting a greater amount of autonomy in local councils, and of delegating wider authorities to governors. The new law tried to avoid several deficiencies of the previous two laws, and as such constituted another step on the way to a fuller application of representative and autonomous local government. It is worthy to mention some of the new applications provided for by that law:

- At every level there would be one elected council. These councils elected their chairmen and vice chairmen.

- Executive committees were organized at the same levels. These committees were to help in setting up administrative and financial plans for the implementation of resolutions and decisions made by the elected council.

- Wider and more secure financial resources were provided as a means of stimulating the local councils towards fulfilling their responsibilities.

- The law provided for several guarantees in securing full independence and freedom of action for local councils.

For example, a council could not be dissolved except by a Prime Minister's decree, and then only with the approval of the Ministerial Committee for Local Government.

Law 43 of 1979

Experience with Law 52 only tended to show that the system of local government in Egypt still needed further refinements if it were to satisfy the changing social, economic, and political needs of the community. Thus, several studies were undertaken with the aim of fostering measures that would help in making the country's system of local autonomy more realistic and capable. Those studies lasted for several years until 1979, when they culminated in Law No. 43 for 1979, which was intended to reorganize the system within a pattern of democratic practice and effective local autonomy.

The rationale behind the new law was largely affected by the fact that the "Peace Era" necessitated a vastly different set of policies and strategies that could provide for the extensive reconstruction and development of Egypt after the wars. In the light of the evidence presented by past experience with local government laws, there was complete conviction that a proper system of local government could serve not only as a main channel for setting up solid democracy in the country, but also as a vital support to the attainment of ambitious rates of development and progress. Moreover, such a system, once implemented in a proper way, would play a major role in adapting the ways of life and movements in local communities to the patterns brought along by social, economic and technological changes of the recent past. The structures developed by Law 43 provided for the following significant goals:

- Developing and supporting the authority of the units and councils of local government to the point of giving them full autonomy in local matters, and enough inherent strength to deal with central authorities in a valid partnership;

- Providing key functions and statutory authority to local executive councils in their capacity as the technical "tool" necessary for the implementation of local plans and programs;

- Consolidating the authority and competence of the governors in order to provide them with a greater sense of responsibility, and a stimulus for a greater capacity to face problems more effectively and in a more dynamic way;

- Drawing clear borders to the fields of responsibility of the competent authorities at both local and central levels. The new structure also covered the interrelationships between local authorities and regional planning authorities; and

- Establishing a new "tool" for coordination, supervision, control and follow up: the Governors' Council, which functions under the presidency of the prime minister.

Thus, the present pattern of the system of local government under Law 43/1979 comprises a series of elected councils at the different levels within the 26 governorates which represent the administrative divisions of the country. The basic characteristics of the system are:

- Every governorate is represented by an elected council made up of an equal number of members from each administrative district or division within the governorate. In addition, seats are reserved for women representatives in order to secure a role for Egyptian women in building up the new community;

- Administrative divisions, districts, or markaz within each governorate also have elected councils, again with seats specified for a women's representative;

- Village units also elect a council, with representatives drawn from the several satellite and central villages that form a village council unit. There are 808 village councils in Egypt today;

- Towns and cities elect councils comprised of members drawn from the town divisions and suburbs. Their number amounts to 342 councils.

As previously mentioned, the whole structure is administered by the Governors' Council under the chairmanship of the Prime Minister. The council is served by a secretariat under a Minister of State for Local Government. The council meets every month and aims at:

- Sustaining a viable system of local democracy;

- Supporting the provincial strategy and planning framework within which development and services will operate;

- Stimulating the full participation of the people in the effective implementation of plans and programs, as well as in their supervision; and

- Guaranteeing a higher level of efficiency to local authorities at different levels through offering them a better and more effective chance to command the resources and manpower within their areas.

A summary review of the laws defining the decentralization of local government can be found in table 2.

Proposed Changes in the Local Government System

A preliminary evaluation of the reorganized system of local government has proved that there is still a need for introducing measures that would help the system to acquire a greater elasticity and efficiency in facing its tasks. In order to do this, several meetings and conferences were recently held in order to determine what measures could lead to a better and more postive role of local government in facing the future.

Among the amendments which were strongly recommended there, the following are the most important:

- The organization of a national conference under the prime minister, or his representative, in which governors, chairmen of local councils, and representatives of executive departments participate. Such a conference might act as a supreme board or Council of Local Government, with full competence to assess, evaluate, and develop all matters that are related to the system;

- A regular meeting of the parliamentary group of a governorate with the governor in order to discuss and examine the best methods to be applied in the implementation of the economic and social development plan within the governorate; and

- A basic reform in the competence and responsibilites of local units and councils. With the exception of those activities that are of a national importance or that are of a specific technical nature, all activities within a governorate should be the concern of those units and councils.

A leading field of struggle in this area is finance. Relevant issues include the sources of financing for both current and capital expenditure by local authorities, taxes and rates, the determination of the local share of central government grants, and a clarification of the principles that underlie the allocation of various sources of financing. A greater control of such resources is a crucial element of the responsibilities and prerogatives of local government units.

Table 2. Evolution of Egyptian Local Government Laws

Characteristics	Law No. 124/1960	Law No. 57/1971	Law No. 52/1975	Law No. 43/1979	Proposed Amendments
(1) Highest Supervisory Authority	Ministerial Committee for local government whose formation is authorized by a decision from the President of the Republic; Vice President is Chairman, the Minister of Local Government in charge of Secretariat.	Ministerial committee for local government under the chairmanship of the Prime Minister, or the next in line from committee members, and membership of ministers whose functions are related to local government.	Ministerial committee for local government under the Chairmanship of the Prime Minister, or the next in line from among committee members, with membership of ministers whose functions are related to local government.	Council of Government with Prime Minister as Chairman, and membership of Minister of Local Government and all the governors.	Higher council for local government which includes heads of local popular councils of the governorates and the governors. This convenes in the form of a conference under the chairmanship of the Prime Minister.
(2) Levels	Governorate, Town, Village	Governorate, Town, Village	Governorate, Markaz, Town, District, Village	Governorate, Markaz, Town, District, Village	Governorate, Markaz, Town, District, Village
(3) Two Councils	Local Council: Majority of members are elected, some representatives of ministries.	Executive Council and Popular Council at the governorate and other levels.	Executive Committee which includes the Governor or head of unit; and an elected popular council at the governorate, markaz, town, village and urban district levels.	Local Popular and Executive Councils at all levels.	None.
(4) Formation of Local Council.	Governorate: 1. Governor - Head. 2. 2 - 4 members in every markaz or administrative department, or the members of the Executive Committee of the National Union. 3. Selected members from the National Union. 4. Members of selected occupations. Town Councils: 1. 20 members from the Executive Committee of the National Union for the town. 2. Not more than 5 members chosen from the National Union. 3. Six members of selected occupations.	Popular Council: 1. Secretary of the Governorate Socialist Union Committee as Chairman. 2. Members of the Governorate Socialist Union Committee. 3. Citizens of towns. 4. Two members from youth. 5. Two representing womens' activities. Executive Council: 1. Governor is Chairman. 2. Deputy Governor, if available. 3. Governorate General Secretary. 4. Representatives of government organizations.	Governorate Local Council 1. Secretary of the Governorate Socialist Union Committee is Chairman. Markaz: 1. Eight members from the capital of the markaz. 2. Four members from every village unit. Towns: 1. Eight members for every administrative department. 2. Sixteen members for the town having only one administrative department. Districts: 1. Council based on six members representing an administrative department.	Same as in No. 52, except that female representation was introduced for every markaz district.	None.

Table 2. (continued)

Characteristics	Law No. 124/1960	Law No. 57/1971	Law. No. 52/1975	Law No. 43/1979	Proposed Amendments
(4) Formation of Local Councils (continued)	Village Councils: 1. Not more than ten members from the Executive Committee of the Socialist Union. 2. Ex-officio members selected by a Governor's decision. 3. Two members by decision from Minister of Local Government, based on proposal by the Governor.	5. It is permissable to invite: Heads of Towns, representatives of agencies and economic units when dealing with topics related to them.	Villages: Council of 16 members.		
(5) Local Council Responsibilities	Governorate Councils: 1. Establishment & administration of all utilities and works of local nature that have general benefit for the Governorate. 2. Start projects of local nature that town and village councils are unable to establish. 3. Give technical and financial aid to social and benevolent organizations. 4. Governorate Council should participate with other town or village councils in the establishment and administration of public utilities. 5. Authorizing the donation of Governorate property free of charge to realize public benefit to the amount of LE5,000, after the approval of the Minister of Local Government.	Popular Council Responsibilities: Under Law No. 57, the popular councils are responsible for follow-up and execution of plans related to national work programs in the Governorate. The Council is also responsible for suggesting policies, taking decisions to: 1. Consolidating defense of the homeland. 2. Suggest and establish utilities of local nature. 3. Implement projects of local nature that town and village councils are unable to establish. 4. Participate in public benefit projects with other Governorates or councils. 5. Approve the Governorate budget. 6. Approve the final accounting of the Governorate budget.	The Governorates: 1. Control and supervision over different public utilities and works of local nature within the Governorate. 2. Control and supervision over work of other councils, sanctioning of their decisions, approval of establishment or abolishment of local units within the Governorate. 3. Within the General Plan: a. Confirmation and follow-up of execution of projects of development plans. b. Confirmation of popular participation plan for aiding in local projects. c. Proposal of taxes and fees. d. Approval of establishment of local production projects.	The Governorates: 1. Control over all utilities and works that fall within the jurisdiction of the Governorate, and supervision over implementation of production plans related to local development, which includes: a. Confirmation and follow-up of implementation of economic development plans. b. Defining the popular participation plan to aid in local projects. c. Approval of spatial and utilities planning projects. d. Local tax enforcement. e. Preparation of illiteracy eradication plans.	Governorate Local Councils are given many responsibilities previously assigned to the Council of Governors, such as: 1. Authorizing the allocation of property of local units to individuals free of charge, if the recipient is of Egyptian origin, but for non-Egyptian institutions or persons, the Cabinet needs to authorize such a transaction. 2. Approval of loans for governorate productive projects if the loan is from an Egyptian source; if the loan is from a foreign country (or institution) the Cabinet should authorize the transaction. 3. Determining of additional tax which should not exceed 5 percent of the original tax; the additional tax on land should not exceed 15 percent of the original land tax.

Table 2. (continued)

Characteristics	Law No. 124/1960	Law No. 57/1971	Law No. 52/1975	Law No. 43/1979	Proposed Amendments
(4) Local Council Responsibilities (continued)	6. Giving loans to authorities and establishments after receiving the approval of the Minister of Local Government. 7. The Council may contract loans after the approval of the Minister of Local Government; or Ministerial Committee for Local Government, or by Presidential decree. Town Councils: 1. The free use of town money for realizing public benefit to the amount of LE1,000, after receiving the approval of the Minister of Local Government. For amounts exceeding LE1,600, and for non-governmental use, the approval is by Presidential decree. 2. The Council within its jurisdiction, is authorized to implement laws and regulations related to public utilities Village Councils: 1. The Village Council is responsible for providing the following services: Education, health, culture, social, labor, agriculture, organization, and any other services that may be given to it. 2. The administration of the combined unit within its jurisdiction.	7. Follow-up on the execution of the General Plan for production and services related to the Governorate. 8. Study of illiteracy eradication plans and family planning. 9. Support of projects and local industries.	4. It is permitted, after the approval of the Minister of Local Government, to donate some of its property free of charge to the maximum amount of LE25,000. 5. The Council may, after the approval of the Minister of Local Government, take a loan within a fixed amount of its resources. 6. Grant aid to public authorities and local public establishments within the Governorate to implement projects having general benefit after obtaining the approval of the Minister concerned. 8. Give opinion on subjects the Governorate, or concerned ministers, require an opinion on. The Markaz: 1. Supervision and control over work of Town and Village Local Councils that fall within its jurisdiction. 2. Control and supervision over: a. Confirmation of the Markaz plan. b. Determination of Markaz popular participation plan. c. Propose the establishment of utilities that have general benefit for the Markaz.	f. Establish free zones or joint investment venture companies with Arab or foreign capital after obtaining the approval of the General Authority for Investment on such ventures. Approval of Council representation in internal conferences. 2. In relation to other local popular councils, the Council is responsible for supervision and control of their work, sanctioning or refusing decision taken by them. 3. The Governorate local popular council may freely dispose of any of the fixed assets of the Governorate, or lease such property at nominal rent, or at less than market rates, if such disposal is within a LE50,000 limit. 4. The Council may contract loans for productive projects not to exceed 20 percent of its revenues. 5. Giving technical and financial aid to social and benevolent entities. Markaz It differs from Law No. 52 only in the following: 1. The Markaz Local Popular Council, on approval of the Governor, may dispose freely of Markaz property for purposes of public benefit	4. Determination of some local fees.

Table 2. (continued)

Characteristics	Law No. 124/1960	Law No. 57/1971	Law No. 52/1975	Law No. 43/1979	Proposed Amendments
(5) Local Council Responsibilities (continued)			3. It is permitted after obtaining the approval of the Minister of Local Government to authorize the allocation of some of the property of the Markaz within a limit of LE5,000. Towns: 1. This Council is responsible for control and supervision over district councils and coordination among them; control and supervision over different utilities of local nature. 2. Authorize the allocation of town property free of charge after the approval of the Minister of Local Government within the amount of LE5,000. Districts: 1. Control and supervision over different utilities of local nature within the jurisdiction of the sector. 2. Collection of revenues in town account and determination of expenditures sufficient for each sector.	if such disposal is within LE10,000. But, for proposals of LE10,000-LE50,000 the approval of the Governorate Popular Council is required for non-government entities. Towns: The same as in Law No. 52 except that the Town Local Popular Council, on approval of the Governor, may freely dispose of any town assets for public benefit purposes if the disposal is within LE10,000 during one fiscal year. Sectors: The same as under Law No. 52.	
(6) Authority of the Governor	The governors shall be treated on par with vice ministers with respect to salary and pension. Other than the above; rules applied to deputy	Under this law, the Governor acquired the status of Vice Minister. He may also be appointed with a status of Minister.	The Governor is treated on par with minister or vice minister, depending on his appointment by the President. He supervises the implementation of State	The Governor shall be treated on par with ministers with respect to salary and pension. The Governor represents the President in the	In addition to all changes introduced under Law No. 43, the new amendments state that the nominations for President and Vice President of the

Table 2. (continued)

Characteristics	Law No. 124/1960	Law No. 57/1971	Law No. 52/1975	Law No. 43/1979	Proposed Amendments
(6) Authority of the Governor (continued)	ministers are applied to the governors. The Governor, within his jurisdiction, represents the executive authority and is responsible for implementing state policy. Every minister may transfer some of his functions to the Governor. The Governor assumes the supervision over all functions transferred.		policy, as well as the responsibilities conferred on him. Under Law No. 124, the Governor has the authority of the Minister in relation to all employees in the Governorate whose responsibilities have been transferred to the local units.	Governorate. He is responsible for the implementation of State policy. The Governor assumes all executive authorities granted to ministers with respect to all public utilities which fall under local government unit jurisdiction. The Governor has supervisory powers over all branches of ministries which did not have their functions transferred to local units, except justice agencies. Article 139 gave the Governor the right to transfer chairmen of markaz and districts within the governorate without the approval of the minister concerned.	University are made by the minister concerned with the approval of the Governor. Both the Governor and President of the University are responsible for political security in the University; in addition, the Governor is responsible for this before the Local Popular Council.
(7) Questioning (Inquiry) and Request for Information	The Governor is head of, and responsible for, inquiries. No requests for inquiry ever submitted to him.	Every member has the right to question the Governor or executive council member; to direct questions in affairs related to their functions. The Council's internal regulations organize the manner in which these questions or inquiries may be submitted and its regulations.	Questions: It is permitted for every Governorate Local Council member to question the Governor, or heads of government departments. Interrogations: It is permitted for members of Governorate Local Council to submit interrogations to the Governor under the following conditions: 1. The interrogation must be submitted by one-third of the members, or six members, at least.	Request for information has replaced the interrogation system because, under this system, decisions were not executed in cases where responsibility was proven.	A return to the right of the Local Popular Council members to submit an interrogation to the Governor or heads of government departments and other local units. This is conditioned by a fixed majority required for submitting the request for interrogation.

Table 2. (continued)

Characteristics	Law No. 124/1960	Law No. 57/1971	Law No. 52/1975	Law No. 43/1979	Proposed Amendments
(7) Questioning (Inquiry) and Request for Information (continued)			2. Discussion cannot take place except after seven days, at least. A decision is issued under the responsibility of the Governor on a specific matter by absolute majority of the Council members and the concerned minister is informed.		
(8) Financial Resources and Their Capabilities	Joint revenues with all governorate councils. 1. The share of the Council in the additional tax imposed on import and export is half of the proceeds, the other half is credited to the joint revenue account. 2. The Councils' share in the additional tax on transferable assets is half of the proceeds and the other half is credited to the joint revenue account. Governorate Council Special Revenues: One-quarter of the proceeds of the original land tax in the governorate; one-quarter of the proceeds of the additional tax imposed by the Council on land tax in the Governorate.	The same as under Law No. 124/1960.	The establishment of a Local Fund for Service and Development (LSF), organized by a decision from the minister responsible for local government. Half of the proceeds of the sale of government-owned buildings and land specified for building purposes within two boundaries were added to Governorate revenues.	Increase in the maximum of additional tax on governorate imports and exports. Additional tax on movable assets, property tax; commercial and industrial profits. The governorate's own resources, the sale of government-owned buildings and land for building within town boundaries. Receipts derived from the sale of newly reclaimed land and agricultural land in the governorate. Fifty percent of the increase made from governorate local revenues above those specified in the Budget are added to the governorate's Local Fund for Service and Development. The law divided the country into economic regions, each region may include one or more governorate. Each economic region has a capital and should establish a higher committee for regional planning under the chairmanship of the governor of the region's	Determination of the additional tax on commercial and industrial profits not to exceed 5 percent of the original tax and on the additional tax not to exceed 15 percent of the original tax. The governorate Local Council may levy local fees after specifying its maximum and minimum. Governorate Local Council may contract loans for productive or investment projects required by the governorate or local units within its boundaries. If the loan is from a foreign entity, Cabinet approval is required.

Table 2. (continued)

Characteristics	Law No. 124/1960	Law No. 57/1971	Law No. 52/1975	Law No. 43/1979	Proposed Amendments
(8) Financial Resources and Their Capabilities (continued)	- Registration fees for cars, motor-cycles and all other vehicles registered in the governorate. - One-half the price of sale of government-owned buildings and land within its boundaries. - Revenues of Council money and services operated by it. - Government aid and non-governmental donations. - Other taxes and fees of local nature that lie in the interest of the Governor's Council. - Loans contracted by the Council not to exceed ten percent of its budget after approval of the Minister of Local Government. Loans between 10-20 percent require approval of the Ministerial Committee for Local Government. Any loan in excess of 20 percent requires a Presidential decision.			capital. The Committee is responsible for carrying out the studies necessary for identifying the natural human capabilities and resources of the region, methods of developing them and proposing the required economic and social development projects in the region.	

LAW TO PRACTICE: THE STATUS OF IMPLEMENTING DECENTRALIZATION IN EGYPT

DONALD R. MICKELWAIT
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Decentralization requires a devolution of authority--a passing down of the responsibility and the means for control of policy, resources, and people--from a higher to a lower level of government. The government hierarchy extends from the central, national-level authorities and institutions, down to the lowest level of the official structure, the village council. Along the way are found the recently formed and relatively powerless regional-level bodies. Below them is found the governorate and below the governorate is the markaz.[1] The markaz is composed of several village councils.

Authority to be devolved is concentrated in key areas of financial resources, personnel, and government administration. These would include the power to raise and generally allocate resources, to direct or share in the decisions about the specific use of available resources, and to manage official personnel.

The major thrust toward decentralization has occurred between the central ministries and the governorates. The governors have now been designated as the local representatives of the president within the governorates and are of equal status with the ministers. In the budgetary process, a greater share of the financial resources of the state are gradually moving into governors' control. There is now considerable give and take at these two levels as the governor and the ministers, elected and appointed officials, engage in a negotiated settlement over the division of financial resources.

This, however, is not the case for all ministries. Some (Irrigation, Agriculture, Power), retain significant control over their budget even though it eventually enters into the composite budget request submitted by the governor. In any case, the movement of the locus of GOE administrative and developmental authority from the ministries to the governorates is a central feature of the policy of decentralization in 1980.

Mickelwait, D. R. and others. 1980. Monitoring and Evaluating Decentralization: The Basic Village Services Program in Egypt. Washington, D.C.: Development Alternatives, Inc.: 84-87. Donald R. Mickelwait, president of DAI, and Gary Eilerts were members of field team which authored this report.

There is only modest evidence that a shift of resources from governorate to the markaz or village council is taking place. Rather, governorate-level technical staff often contend that lower levels of government do not have the technical or administrative capacity to plan and implement development projects--contentions previously advanced by the ministries to explain why the governorates should not be given greater authority. However, as the governorates gain a progressively greater control over government expenditure, shifts in the location of planning and implementation authority from the governorate to lower levels will be a significant indicator of further progress in decentralization.

There is another path that decentralization has followed. This is a national-level public authority to village shift, which in many instances, bypasses the offices of the governorates and for which the funding and expenditure do not enter into the regular planning and allocation process. The most noteworthy of such movement has occurred through the BVS and the LDF programs funded by USAID and administered by ORDEV, in addition to GOE budget monies distributed by ORDEV to village units.

The last decentralization shift is to self-generated local discretionary funds. The Local Fund for Service and Development (LSF), is an instrument of the village council which now can generate its own resources and put them to use with few legal or administrative limits to its authority. This shift in local expenditure authority is of great potential significance because drawing upon the LSF does not require the village council to obtain approval of a sponsoring higher level administrative unit. The autonomy thus conferred is of a somewhat different nature than budgetary allocation shifts from one level of government to another.

CHARACTERISTICS OF THE EGYPTIAN BUREAUCRACY

JAMES B. MAYFIELD
with
EDWIN G. CHARLE

This section seeks to document the crucial dilemma facing Egypt's efforts to move from a centralized, state-planned economy to a more decentralized, market-oriented one. The generalizations which follow reflect a synthesis of opinions gleaned from local government officials, locally elected council members, academicians, private citizens, and ministerial representatives functioning at the village, district, governorate and regional levels. While the conclusions seem to comprise a general consensus about the evironmental, organizational, and cultural factors which presently impinge on local government effectiveness, the impressions outlined here should be considered more as personal and untested observations.

The roots of Egypt's current dilemma lie in an administrative system structured over the past 25 years but which reflect a govermental system which has evolved over centuries. The resulting organizational behavior in the Egyptian administrative system displays three characteristics:

- A triditional system of decentralized decision making;
- A tradition that power is dependent upon relationships with those in the higher echelons of the system; and
- A tradition that proper procedure, rather than goal achievement, is the key determinant of effectiveness.

The social norms of deference and dependence found throughout Egyptian society between father and son, citizen and bureaucrat, supervisor and subordinate, reinforce the centralizing and authoritarian tendencies in decisionmaking processes. A subordinate's position is dependent upon his relationship with his superior. A successful subordinate is one who shows proper deference at all times, demonstrates total loyalty, never questions or challenges a request from his superior, makes no decision without conferring with him, and always follows the correct procedures, rules, and regulations until told to do otherwise. His whole life revolves around the time schedule, the demands, the convenience, and the needs of his superior. To some extent these behavioral characteristics occur in every society and

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Excerpted from Mayfield, J.B. and others. 1981. "Management Development Training for Decentralization in Egypt," a paper prepared for USAID/Cairo, condensed by Edwin G. Charle. Both Charle and Mayfield are associates of DAI.

organization, but in Egypt where successful performance is usually a function of obedience to requests rather than the achievement of an objective goal, this behavior has became disfunctional.

A staff person jumping to attention when his boss enters, or literally running when he receives a telephone call that the governor wants to see him, showing great deference and respect for his supervisors but treating his own subordinates in most demeaning ways, shouting and threatening when they make even minor mistakes--these are characteristics of the existing administrative system and imply that it cannot easily be changed.

Egyptian managers, administrators, and chief executive officers are generally well qualified to function within the present system characterized by centralized decision-making, political interrelationships, top downward communication, superior-subordinant dependency, and a set of carefully defined rules and regulations which set limits on behavior and initiative. Since top officials have been rewarded and promoted over time because of their conformity to this pattern, most have difficulty understanding why change in their present management style is either necessary or appropriate.

Moreover political power in contemporary Egypt often is function of an individual's connections with the original group of army officers who precipitated the revolution. The emerging bureaucratic elite of the past two decades, largely recruited from a pool of university professors, younger administrators, and members of the officer's corps, were given the responsibility of administering, implementing, and monitoring the processes of political and economic development. Bonded to the military officer group through a network of superior-subordinate relationships based as much on loyalty as competence, the administrative system reflects the power implications of these relationships as much today as it did in the 1950-60s.

In discussions with several governors, they agreed that middle-level management personnel in their governorates needed to take more responsibility, show more initiative, and accept greater delegation of authority. Yet when asked why these new roles were not being developed in the mid-level people, the common retort was, "They are not competent enough," "They need training," "I am not yet willing to trust them with too much authority." In talking to lower level personnel, a considerable amount of skepticism was voiced about their superiors' willingness to delegate real power to lower levels: thus the dilemma between conformity and independent decision making as the basis for assessing a subordinate's performance is still unresolved.

The existing system allows the supervisors and executive officers to give their subordinates only that information which is essential to the performance of the job. Traditionally, Egyptian administrators have learned that information is a source of power and they hold back or conceal information which they perceive

others have no need to know. The information flow on work procedures is primarily downward, with relatively little or no information flow upward. The common complaint among lower level administrators is their frustration in having to obtain approval for relatively inconsequential details of their jobs. A counter complaint often voiced by top-level managers is that their subordinates will not take any initiative and are continually seeking approval and authorization to complete some task.

Simultaneously, there are work quotas and reporting requirements determined by offices at higher levels and imposed on individuals who are expected to complete their tasks on time. Much of the work is linked with the operations, reports, and activities of others and work at higher echelons is often stalled when lower levels fail to meet their requirements on time.

Goals are set primarily by officials at the top and are gradually processed through the organization to lower levels. As information filters down, individual administrators have less and less responsibility for initiating and influencing decisions. At village or district level, the individual is expected to follow instructions to the letter. Often there is no awareness of why a specific report or a set of tasks is important or how one's work relates to that of others. There is almost no upward flow of information about the concerns, problems, or obstacles which beset the lower levels. Consequently, individual suggestions and contributions are few.

Frequently, individuals have virtually nothing to say about employment opportunities for which they will be considered. They cannot even choose <u>not</u> to be considered since the government has until recently been committed to provide a job for all college students upon graduation--with selection dependent not on the basis of student background, but on the needs of specific ministries. In this type of system people are not likely to be promoted from one sector to another; instead they usually find their opportunity paths confined to the ministry to which they have been assigned.

Many employees must continually compete with each other for the jobs they would like. This leads to political maneuvering which may be encouraged by the supervisor. Most promotions are given to subordinates who are most highly and favorably visible, who have shown unquestioned loyalty, and who have a reputation for not causing problems.

Managers and supervisors in the Egyptian bureaucracy enforce rules and suppress dissenters. Presentation of different viewpoints is not encouraged and often not allowed. Subordinates may hesitate to assist the manager in solving a problem until specifically asked to do so. Unfortunately, given the low salary and reward systems available in local government jobs, many employees hold back, seldom show any initiative, and put no more of themselves into the job than is absolutely necessary to get by.

Generally the evaluation of subordinates is highly subjective. Feedback on work performance ordinarily is not directed to the individual performing the job, but rather to his immediate supervisor who interpretes this information, and gives out only what he wishes to the subordinate. The feedback tends to be critical rather than complimentary and there is a high degree of conflict between the individual's own personal objectives, wishes, and needs and the objectives, demands, and needs of the system as a whole.

There are numerous Egyptian officials, academicians, chief executives, and management personnel who are committed to improving the effectiveness of organizations to function more appropriately in solving problems and achieving goals. But such shifts in administrative thinking will require a new set of administrative and managerial role definitions, with a new set of expectations, and reward/incentive systems before such changes are to be realized. A new insistence on the part of President Sadat, that governors and their staffs are going to be held more strictly accountable for the implementation of policy and the achievement of goals, may provide the necessary impetus to an effective search for remedies.

PART THREE

BUILDING CAPACITY FOR DECENTRALIZATION TRAINING ALTERNATIVES

INTRODUCTION TO PART THREE

The two selections in part three are both critiques of traditonal, packaged, or western adoption types of training. The critique is two-fold. First, traditional packaged training has demonstrated weaknesses--six according to Honadle and Hannah. Second, weaknesses aside, the focus of traditional packages on skill transfer isolated from the particular organizational environment is of particular irrelevance in Egypt where the problem seems to be one of incentives and not skills.

The logic that runs through both of the excerpts from Mayfield's training needs assessment is that existing technical skill levels are adequate; the problem is one of ossified incentive structures appropriate to the centralized structure existing until very recently but inappropriate to a decentralized structure. In such an environment, the result of traditional packaged programs has been, and will continue to be that "when an individual is trained in new methods, his former supervisors and colleagues may find his new ideas uncongenial." Instead, Mayfield with Charle argue for a process integration approach--an approach that is oriented toward problem solving and the organization environment and that involves multiple levels. The action-oriented approach advocated by Honadle and Hannah is quite similar. The notable difference is the explicit link they make between capacity building and training.

In their selection in part one, Honadle and Gow establish a link between capacity building and decentralization--they are opposite ends of the same process. Without local capacity, decentralization cannot be effective, but without decentralization of some authority, particularly over local resources, effective capacity cannot be built. At the same time, they argue that capacity building is not just training. To be sure, the traditional approach with its six weaknesses looks incapable of building capacity. But the action-oriented approach Honadle and Hannah outline, because it shares with capacity building a concern for planned change, is a much more compatible and potent strategy.

Indeed, according to Honadle and Hannah, for training to be effective it must, like capacity building, involve risk sharing, the participation of multiple levels, implementation in a collaborative fashion, demonstrable relevance and success, a learning or problem solving emphasis, and a concern for incentive structures.[1]

What emerges then from the various perspectives contained in the first three parts is the theoretic foundation for designing a mangement skills training program in Egypt. Decentralization is the stated goal. Without increased local capacity, decentralization will be frustrated. Only a training strategy that has a

capacity building or action orientation will be effective in general, and certainly in Egypt where the constraints appear to be those expercitly addressed by a capacity building approach.

THE CASE FOR PROCESS INTEGRATION TRAINING

JAMES B. MAYFIELD
with
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In recent years management and administrative systems development has emerged as a major concern of decentralization in local government. This new focus has been strengthened by the observation that governmental services, programs, and projects often appeared to have little impact on the lives of the people being served because of serious weaknesses in the management and administration of the government delivery systems.

The term management is used here in a broad sense to refer to both the process by which plans are developed and the process by which programs are implemented. Some of those interviewed for this report insisted that what is needed is more of the kind of training they are already receiving; argued that training in Cairo or the United States which introduced modern Western concepts of management was needed. Yet neither approach would seem completely satisfactory since the first may focus on changes in individual information and knowledge but not provide for substantive change in the administrative or management system itself. The second, on the other hand, seeks to impose a system of Western management concepts and ideas either irrelevent to or inappropriate for the Egyptian context. A third, problem solving orientation, would seem the most appropriate. All three approaches are discussed in the following section.

Traditional Administrative Training (TAT)

Traditional administrative training assumes that knowledge relevant to managerial decisions is vested entirely in members at the top of the organizational hierarchy. Similarly, knowledge needed for making changes in the organization and management is vested in these same positions.

The system is seen as successful to the extent that it follows presently accepted methods and procedures. While these may need small refinements, they do not require radical changes. Therefore, training programs are most effective if they are focused on reinforcing established methods. Similarly, training programs may be helpful in strengthening people's technical skills, thereby forming a pool of talent that can fit into the current system. This approach to training suggests that the prime

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Excerpted from Mayfield, J. B. and others. 1981. "Management Development Training for Decentralization in Egypt." a paper prepared for USAID/Cairo; condensed by Edwin G. Charle.

focus should be on individuals to develop new knowledge, skills,and ideas. Individuals need to change, but the administrative system in which they work does not.

This set of assumptions suggests that training programs can prepare people lower down in the organization eventually to enter responsible positions. The appropriate steps would be the following:

- The relationship between teacher and learner is a traditional one in which the teacher is assumed to know what the problems are and what the answers are; and
- A curriculum is developed by those representing the philosophies and methods of the management elite;
- The training program is responsible for developing and teaching this curriculum;
- The teacher is active and knowledgeable, the student is passive.

Western Adoption Training (WAT)

During the 1950s and 1960s most public administration training programs were designed on the premise that the simple adoption of western administrative and mangement practices and role definition was the best way to increase the effectiveness of managers in developing countries. Recognizing the status quo orientation of the indigenous system, with its emphasis on conformity, dependency, and statis, that assumption was made that the only alternative was the adoption of some type of Western training model. Utilizing the latest concepts of organization, development, management by objective, participative management, and the like, this type of training assumes that every country must adopt western management concepts wholesale if it is to develop and improve its present administrative and management systems. In many ways the WAT orientation is not very different from that of TAT. The techniques are "modern" and up-to-date but it is assumed that the values, political realities, cultural norms, and expectations of an established system can be ignored as a new management program is introduced.

Such programs may in fact develop new skills, attitudes, and perceptions, but they seldom deal with the crucial question of how these new skills, attitudes, and perceptions can be used in the existing administrative environment. Perhaps more tragic, however, is that when an individual is trained in new methods, his former supervisors and colleagues may find his new ideas uncongenial. Many Egyptians interviewed stated that they knew of others trained in "western management techniques" who soon after returning to their former positions decided to leave their jobs for something different.

Process Integration Training (PIT).

The process integration training approach offers an alternative for training in the Egyptian situation. PIT is based on the premise that management is not merely a function of structure or technique but of a process. This process is essentially problem solving in its orientation and seeks to analyze where the organization is now, why it is where it is, where it wants to be in the future, what are the obstacles preventing the achievement of these desired goals, and what specific things can be done to solve the problems identified. PIT assumes an openness to a wide variety of ways in which mangement structures can be organized, leadership styles can be developed, and management process of decision making and implementation can be utilized. It is not a question of choosing between old and new techniques, but a reality testing process which looks at each structure, procedure, rule, technique, and style in terms of appropriateness for solving problems and achieving goals in the particular administrative environment. The focus of PIT is on the process of change to increase effectiveness and solve problems.

PIT thus shifts the emphasis, not only to give more attention to developing indigenous teaching materials, techniques, case studies, and exercises which are relevant to the country involved, but to structure a significant portion of the training experience to developing the skills needed to implement such management concepts within the political and cultural realities of the system where the trainees work.

In PIT, top management personnel must be intimately involved in all phases of the training, since such training is to be directly applied to immediate organizational issues. The exploration of these issues is a crucial part of the training and changes in organizational methods, relationships, and personal styles may follow depending upon the interactive processes that emerge in the training.

Such a system of management training is based upon standard action-research methods of problem solving and generally includes the following steps:

- Exploring the problems, obstacles, and goals facing the organization in question;
- Working together in planning action steps and leverage points for changes which are relevant and consistent with cultural and political realities;
- Initiating, implementing and following up the action steps developed;

- Collecting data and initiating feedback systems needed to monitor and evaluate the action steps taken.
- Planning future action steps and changes on the basis of immediate past experiences.

BEYOND PACKAGED OF TRAINING: AN ACTION-ORIENTED APPROACH

GEORGE H. HONADLE
JOHN P. HANNAH

Development projects by their very nature place added and often conflicting demands on organization roles and relationships, planning, management and administrative systems, and individual skill requirements. Such demands are particularly evident in project aimed at area development and which are planned and managed at subnational levels. Conventional strategies for building institutional capacity to plan and manage such projects view demands on organizations, systems, and skills as separable--most frequently focusing on training programs to transfer specific management skills such as scheduling, monitoring and control. The results, however, have frequently not resulted in improved project performance. Often the skills and knowledge do not relate to on-the-job requirements or the organizations are not prepared to effectively utilize those skills. More significantly, such training programs are designed on the basis of what "experts" regard as the knowledge and skills required by "effective" managers rather than what the organizations are prepared to commit themselves to do to improve performance. This poses significant problems in the context of the diversity of project objectives, organizational structures and the fact that most projects themselves are learning systems. Thus the record suggests that most project management training does not lead to improved project performance or enhanced organizational capability.

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This essay assumes that the purpose of training is two-fold: first, training aims directly at improving the performance of an organization or project in achieving its objectives; second, it aims indirectly to enhance the organization's capacity to cope creatively with a changing and uncertain environment. Thus the long-term objective is developmental change while the more immediate objective is more effective organizational action.

Excerpted from Honadle, G. H. and J. P. Hannah. 1981. "Beyond Packaged Training: An Action Based Approach to Enhancing Organizational Performance," a paper prepared for First Interamerican Seminar on Training for Development Project Management, Brasilia, Brazil, September 21-25, 1981.

Since field staff may be unaware of the implications of organizational change, they may be suspicious of the intentions of outsiders who diagnose a need for change efforts. However, since "training" is recognized as a legitimate dimension of project implementation, it offers an entry point for the beginnings of counseling relationships and capacity-building efforts. Thus an important role of training is to allow an entry point into the process of organizational and development change.

Weaknesses In Traditonal Training Practices

Experience with training institutes and training activities in Africa, Asia and Latin America suggests six common weaknesses in the way training is done. These weaknesses are noted below.

Place-Oriented

The existence of a training facility creates pressure to use it so that the expense of building it can be justified. As a result, there is a place-oriented bias in management training which measures success in student days rather than in improved project performance.

Moreover, trainee selection is likely to be based on "who is available" and "what organizations will pay" rather than on whose involvement is needed to make and implement a decision. Training is then seen as a vacation, a trip away from the project site rather than a process leading to improved group performance. Thus those sharing the training experience may not share any working relationship and the return to work takes on an aura of a lonely crossing to the other side of the river to fight with the untrained hordes with only misty memories of "how we did it at the institute" to support the use of new methods.

This is a common weakness. Importing unrelated trainees from all corners of the country and processing them through a standard skill package in a neutral location has not been demonstrated as a successful way of improving field performance.

Dictation-Oriented

Much management training assumes a one-way transfer of skills from trainers to trainees. Instead of emphasizing the exciting possibilities of a mutual learning experience, then, a more common emphasis is on dictation and absorbtion.

There are four problems with this approach. First, it incorrectly assumes that a relatively limited set of management and organization skills exists in the local environment. However,

experience suggests that both technical and managerial skills often do exist in village and LDC settings (Chambers and Moore, 1979; Iverson, 1979). Second, it assumes that a reasonably well defined body of project management skills exist and if these skills are transferred to individuals it will result in organizational change. This is not supported by our experience (Hannah, 1981).

Third, it assumes that the skills possessed by the trainers are the best ones for the trainees to learn. In a sense this is professional ethnocentrism. It says "My technology is the solution to your problem." There is an emphasis on the supply of techniques rather than the need for decisions and actions. This discourages the development of new solutions and it may compound the difficulties.

Finally, in an era when a North-South dialogue and an interdependent view of human relationships is espoused, this approach assumes, on the contrary, an arrogance. It is not a good example of the way development programs could be structured.

The weakness of a dictation approach is most pronounced in activities where standardized, predetermined training programs are used. It suggests a ritualized rather than a developmental approach to training and it is often based on a belief that methods developed and applied within infrastructure projects can be readily transferred across cultures, projects, sectors, and organizational settings.

Single Level Focus

How many workshops are titled "For Supervisors," or "Middle Managers," or "Senior Management," or "Executives"? Such a stratified approach suggests either that each level requires a different set of skills or that those higher up the ladder are reluctant to mingle with those lower down. The first suggestion is suspicious since in prepackaged programs there is often little substantive difference among the various courses. The second suggestion may be reinforcing the problem.

Organizational problems are not all horizontal; coordination among equal units is not the only implementation problem. Many issues relate to interactions between levels and thus a multi-level involvement is necessary to resolve many real operational questions.

Improved organizational performance requires dealing with the organization as a unit rather than just individuals. This means that effective training will go beyond a single level focus to an emphasis on both vertical and horizontal linkages which affect performance: trainee groups should include representatives of multiple levels.

This also extends to actors outside the project organization. To resolve problems and gain commitments by critical actors it may be necessary to involve villagers and/or capital city-based bureaucrats in project level workshops.

Emphasis on Organizational Stock

A common assumption in project management training is that improved knowledge is a sufficient condition to improve behavior. However, this is seldom true.

Consider the Tanzanian and Indonesian examples cited in Honadle and Gow (p. 14). In the Indonesian case, responsibility for each project vehicle is assigned to one individual. That person receives, in cash, a standard monthly allotment to cover fuel and routine maintenance costs. Though the practice does minimize false expense claims, it provides a strong incentive not to make frequent trips to isolated rural areas, because this increases both fuel costs and the likelihood of minor repairs. Since any unspent funds can be kept by the individual but any costs which exceed the allotment must come from the individual's own pocket, the procedure is an effective deterrant to delivering services to rural areas, monitoring fieldwork, or working collaboratively with villagers (Honadle, 1979).

Thus, raising the stock of organizational resources by providing vehicles (material resources) or training (human resources) is not likely to influence performance. Until the incentive system is examined it is impossible to determine the likelihood that managerial training will have any impact upon management behavior. Unfortunately, most training programs ignore this fact and proceed as if individual skill improvement were a necessary and sufficient condition for improving organizational performance.

This failing can be illustrated by an expansion of an old saying (Honadle, 1981):

Give a man a fish...
And he can eat that day.
Teach him to fish...
And he can eat the rest of his life.
But...
Who owns the fish?

Thus, unless incentive systems and resource control are examined, a focus on skills may be a waste of energy.

Inference-Oriented

The place-oriented and dictation-oriented characteristics of many training programs lead to another problem. Since the

trainees come from multiple organizational settings, they do not have a common experience base from which examples can be drawn for the application of techniques. Thus the instructor builds a hypothetical case and the trainees are expected to bridge the gap between the fiction and the reality.

Learning, then, is expected to occur by inference rather than by demonstration. However, a wide range of experience suggests that behavior is more likely to be influenced by demonstration than by inference (Honadle, 1981). Thus the artificial nature of much training obstructs the transfer of skills into an action setting.

Discrete Activity

The combination of those weaknesses noted above produces a situaton where each course of workshop gains an independent identity and becomes a discrete, time-bound occurrence rather than just one ripple in a constant stream of management development activity. This situation is undersirable. When training is isolated as a separate event it becomes an end rather than a means.[1]

The causality, then, is circular--discrete treatment of training leads to an emphasis on inference, organizational stock, single level treatment, dictation and site boundedness. These emphases, in turn, reinforce discrete training at the expense of continuous management development. The result is that training is less effective and trainers are less believable.

An Alternative To Traditional Practices

That alternative has two important characteristics which directly confront the six weaknesses of traditional management training. These characteristics are noted below and illustrations are used to make them more concrete.

Action Orientation

Instead of a place orientation, an action orientation is used. This includes the follwing attributes:

- Trainees are work groups rather than bodies collected from numerous unrelated settings;
- Real problems provide the subject matter for workshops;
- Workshops demonstrate the application of methods to problem situations;

- Multiple organizational levels are involved because without the participation of critical decision makers many problems cannot be resolved;

- Activities are usually conducted on the project site to lower costs, examine local performance constraints, allow participants to return to their homes at night and introduce action-oriented training as an integral part of project management;

- Workshops are treated as activities which blend into planning, counseling, coordination and evaluation functions and which are simply intense concentrations of normal processes;

- Decisions, commitments and actions are expected to be emphasized; and

- An examination of incentives or disincentives for targeted behavior changes is incorporated into group discussons, exercises and decisions.

These eight attributes of an action orientation deal directly or indirectly with most of the weaknesses of traditional training: the place bias is minimized, multiple organizational levels are involved, use of real problems provides a demonstration rather than a reliance on inference, the discreteness of training is deemphasized, and the focus goes beyond organizational stock to incentives and performance. The one weakness which is not touched by the action orientation, however, is the reliance on dictation as the style of interaction. This is attacked by an enhancement approach.

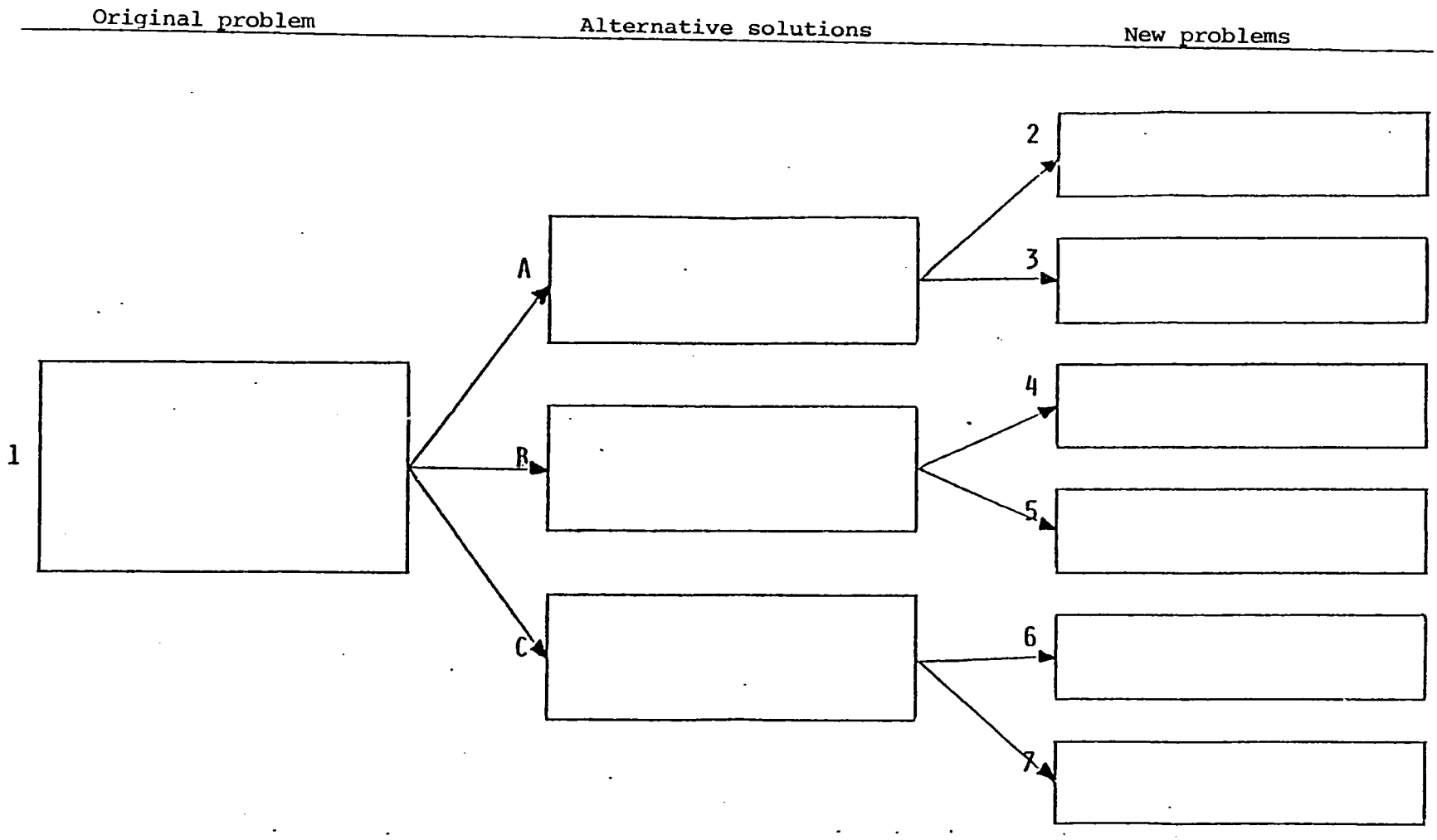
Enhancement Approach

An enchancement approach to management development emphasizes the focus of participant knowledge and skills on pertinent issues rather than the transfer of trainer knowledge and skills to trainees. To do this, it is necessary for the consultant to discover critical issues. Interviews and observation before the workshop may be gather this data. Exercises during the workshop may also prove useful.

Once critical issues have been identified, various organizing mechanisms can be used as the basis for large and small group exercises in applying the mechanisms. In such a situation, the knowledge is provided by the trainee while the organizing framework is introduced by the trainer.

An example of such a framework is presented in Figure 1. This decision tree forces participants to consider problems caused by different solutions to an initial problem. It serves to

Figure 2. Decision Tree



Solutions create problems. Unless this is considered, solutions can be found which create difficulties greater than the original problem. To use the decision tree: enter a problem in box 1; identify three alternative solutions and enter them in boxes A, B, and C; identify two problems created by each solution and enter them in boxes 2 through 7. After considering the new problems, choose a solution.

sharpen and concentrate knowledge they already posess onto a specific issue.

When such a framework is used in a session where senior managers, supervisors, field technicians and farmers are represented, it can mix knowledge in new ways as the different actors learn about the fears and difficulties of each of the others. Moreover, it can be used as the basis for group problem solving.

An enchancement approach, then, has the following attributes:

- Use of frameworks to focus trainee knowledge;
- Respect for participant knowledge;
- Constant flexibility on the part of trainers to readjust schedules and exercises in light of new data presented by participants;
- Interactive approaches which involve participants in the redesign of workshops to meet performance needs; and
- An engagement by trainers with the development substance of social change and the establishment of a partnership among "outsiders" and "insiders" involved in the struggle to improve village conditions and promote self-sustaining development.

PART FOUR

BUILDING CAPACITY FOR DECENTRALIZATION: TWO DESIGNS

INTRODUCTION TO PART FOUR

The selections in the first three parts are really a prelude to the two designs presented in part four. While the sequence of theory building and then project designing may not have been precisely linear in this case, all of the articles in this collection share a similar orientation. Both designs incorporate the alternatives to traditional training methods offered in part three and both designs share, at least tacitly, the capacity building approach to decentralization discussed in part one.

Though these two designs share a similar perspective with each other and with the other selections in this collection, they are designs for different projects. Mayfield's design is for further research and analysis to complete a comprehensive skill needs inventory, to develop a management and information framework appropriate to decentralized planning and administration, and to begin the process of change through workshops and on-the-job training. Mayfield's recommendations stem directly from his diagnosis of the defects in the present bureaucratic structure (part two) and his stress on process integrated training (part three).

Lewis' design is for a slightly less ambitious project, a series of workshops with two stated goals: first, to train 60 governate-level officials in project management skills (project design, implementation techniques, monitoring and evaluation, and the like) during a two-week skills seminar, and second, to develop an approach that, because of its desire to involve multiple levels of officials and to work collaboratively, will result in increased institutional, rather than increased individual, capacity.

It bears repeating that these designs were the result of field visits funded jointly by USAID/Cairo and the Organization and Administration of Integrated Rural development Project.

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The pilot project that is currently being implemented in Egypt is very similar to Lewis' design presented here. But that is not the end of the story. The lessons learned from this pilot effort are intended to provide the basis for a more comprehensive design for increasing institutional capacity to plan and manage decentralization. At the same time, the experience will require theoretic refining. The whole process will begin another iteration. The hope is that the next and future iterations will be able to build on the perspectives of the first.

DESIGN I: IMPLEMENTING PROCESS INTEGRATION TRAINING

JAMES B. MAYFIELD
with
EDWIN G. CHARLE

A clear mandate has been given to the governors to take responsibility for policy and program implementation both by the force of President Sadat's words and the structure of Law 43. The opportunity is there. What is presently lacking are the capacities (managerial, administrative and, to a lesser extent, technical) and the control of autonomous sources of funds and material. USAID/Cairo has a unique opportunity to facilitate this process by providing supplemental funds directly to the governors and by supporting and encouraging a process of management development and technical training for governorate level planning and management systems. The following generalizations seem appropriate:

- Whatever the needs for technical and administrative skills, highest priority must now be accorded to the functioning of the capability for planning and managing the use of the newly acquired power and resources. Allocating funds and then making them available before building administrative and managerial capacity to utilize such funds may prove to be a mistake. A significant effort is now needed to rebalance the focus between resource allocation and managerial capacity building to deal with such resources. The need for effort in strengthening planning and management capability becomes doublely urgent with the intention of GOE to make available to the governorates 50 percent to the funds now disposed of by the central ministries in the governorates.

- An inventory of training needs should be established which recognizes the needs of all decentralization-related projects. This inventory should reflect an awareness of the training already available--ORDEV, the various institutes of local administration, university programs, and various other institutes.

- Skills in defining problems and goals and in designing actions to meet them can be usefully distinguished from skills necessary to effect chosen courses of action. Both sets of skills are required. They make different demands

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Excerpted from Mayfield, J.B. and others. 1981. "Management Development Training for Decentralization in Egypt, "a paper prepared for USAID/Cairo, condensed by Edwin G. Charle.

on training. We believe that the former--management skills--cannot be introduced into a management system by classroom training of personnel as individuals. Planning and management systems need to be established and the best context for this is the day-to-day context of the planning and management undertaken by each entity (in this case regional planning office, governorate, markaz, village, and subunits of these).

- Maximum effort should be made to facilitate interaction of the governorates with markaz on the one hand and regional planning offices on the other to extend management development efforts through the system. In this regard it is important to secure the involvement and support of the Ministry of Planning and its regional offices in this process and especially, its inputs into the design of the planning process at the governorate and lower levels which it is called, upon to orchestrate.

- The clustering of governorates in a single region might provide the best opportunity for vertical consolidation of the management/planning system, whereas choosing to work in governorates of different regions allows wider involvement since the prospects of emulation and mutual assistance between governorates seem greater than the prospects of emulation and assistance between regions.

- The Secretariat of the Council of Governors as is recommended as the counterpart agency.

In order to pursue these objectives, it is suggested that a new mission should be empanelled which would include expertise in organization development techniques and procedures city management and rural development planning.

However, as an outline for a prepared program to implement the process integration approach, the following steps seem appropriate.

1. Introduce into one or more governorate offices an experienced city manager to gain an understanding of what is now happening.

2. Organize regular monthly workshops of governorate/city/markaz officials to review peformance and to propose actions to strengthen performance, generally based upon the PIT orientation to training. From these should come:

   a. Training in management performance review;

   b. Demands for specific action to strengthen capability--especially respecification of officials' and agencies roles and training for these;

c. New management procedures for policy formulation and for the design of programs and projects; and

d. Demands on, or confrontations with, other bodies--those lower in the hierarchy (markaz, villages) those higher in the hierarchy (Ministries of Planning and Finance), and those who should be providing parallel support (the line ministries--agriculture, health, ant so forth), as well as political bodies.

3. Encourage the redesign of the planning and administrative process and extend the scope of workshops to include those outside the governorate who are facing demands newly created by the governorate (the markaz and villages), introducing the management performance review and using it to define processes and roles at each level and to specify training needs.

4. Seek by this means to change actors' role perceptions, endeavoring to place appropriate external demands on them and to institute appropriate reward strucutures.

5. Respond to conflicts with proposals for change generated from the system itself and pressed by relevant guarantors who should be identified in advance and mobilized for the purpose.

Key objectives of this process include:

- Identifying individuals who can facilitate management performance review workshops within the context of the PIT orientation to training.

- Securing from this management performance review process not only demands for training for governorate officials but also the incremental involvement of other parts of the total system. Initial interest at governorate level in getting the rest of the system to work with it may be tampered by the realization of the loss of control that would result from the growth of capability and autonomy at lower levels. Thus governors must be part of the management performance review process and they will need to share and support the goal of decentralization and feel rewarded providing it. This may require of them a substantial change in perspective. It may also require inducement from above and/or below. The ministries may resist cooption by this process. Only a presidential decree, perhaps on the combined insistence of the governors, is likely to overcome this resistance.

- Broadening from a project focus to a long-term policy orientation. It is nowhere easy to reward farsightedness and it is not always easy to get people to face frightening futures. Governors might admit that there are discomforting food/population prospects but they may not see that this requires anything of them but to assist in the promotion of agricultural growth. Inquiry and education will play a key role in identifying issues and sensitizing actors--governors especially--to the implications for planning. This is an area in which research can make a potentially significant contribution.

- The horizontal spread of the process from a few governorates to all governorates requires either considerable resources or much time. There would seem to be a critical minimum effort. This will need to be carefully calculated. There must be a sufficient number of governorates involved for the process to continue spreading--especially to change governorate-ministry relations and relations and roles--and the governors must not combine to resist devolution of their own powers to markaz and villages.

DESIGN II: A PILOT TRAINING PROJECT

DAVID B. LEWIS

Overview and Principles

Objectives

This pilot training project has two objectives: to provide skill-development training, and to provide the basis of experience for designing a much larger, more comprehensive program of planning and management development for decentralization.

Skill Development

Decentralization is a complex and incompletely understood process. It is clear, however, that government staff in the governorates will have to develop new skills if they are to perform effectively. Some of these skills will have to be tailored to new roles and responsibilities which have not yet been defined. But there is another set of basic planning and project implementation skills that will be required regardless of how the decentralized system evolves. These skills include, among others, problem identification, assessment of alternative solution strategies, project design, implementation, monitoring, and evaluation. The principles underlying these activities are universal in nature, and are useful in many different disciplines.

Program Design

While this initial pilot phase of training focuses on the development of badly needed general skills, it is necessary to look ahead and plan for a more comprehensive and precisely targeted effort of planning and management development for decentralization. This can only be done, however, when there is a better understanding of the manpower development needs of decentralization and the feasibility of alternative approaches to meeting these needs. Improving the level of understanding is a major objective of this pilot training. The knowledge gained in sponsoring the training activities will be critical in designing a major decentralization support program that integrates other elements of the USAID/Cairo effort.

Excerpt from Lewis, D. B. 1981. "Training for Decentralized Development Planning," a report prepared for USAID/Cairo. Washington, DC: Development Alternatives, Inc. David Lewis is an associate of DAI, and associate professor of city and regional planning at Cornell University.

Guiding Principles

The design and implementation of the pilot training effort will be guided by a series of principles outlined below.

Goal-oriented Perspective

Emphasis will be placed on skill development for goal oriented planning and management. By contrast with traditional emphasis on administrative procedure, this training will be concentrated on preparing participants to work in a new decentralization milieu where performance is to be measured in terms of goal accomplishment. The training will stress development of skills that will help government employees be more effective in a context where they will be held accountable for contribution to local development.

Team Work and Collaboration

Decentralization assumes increasing cooperation among the various parties involved in development in the governorates. This will require a change, for example, in style from the traditoinal procedures of ministry representatives relating primarily to higher levels of their own ministries. Internministerial teamwork will be needed at the governorate level. The training will be organized to facilitate not only this horizontal cooperation among individuals representing different government bodies, but also cooperation between local, markaz, and governorate teams.

Exploratory Approach

The two objectives of this pilot training effort give it an exploratory character. The training is meant to useful as presented, but it will be evaluated in detail to help inform the design of future programs. In mounting this initial program a series of decisions had to be made to limit the scope of the effort to a manageable size. It was, for example, decided to train in only two governorates; to seek collaboration with the National Institute of Management Development and the National Planning Institute; and to provide general training to a multidisciplinary team.[1] The appropriateness of each of these (and other structural) decisions will be evaluated after the instruction. It may be that the follow-on program will shift focus to other types or styles of training. Perhaps other training institutes should be involved. The experimental nature this pilot project is intended to help sort out such issues.

Generic Skills

Emphasis will be placed on the development of skills that are relevant across disciplines and useful in a series of different role contexts. Training will not be limited to preparation for a specific task or to follow any particular set of procedures. Participants will have an opportunity to practices the application of planning and implementation principles in several different contexts. The emphasis of instruction will be on skill building, not the transmission of disembodied knowledge.

Participants

The training participants will include representatives of the regional planning staff, the governorate ministry representatives, the governor's planning unit, and the chairmen of districts and villages in the governorate.

Selection of Governorates

The final selection of governorates for the pilot program will be made in June 1981. Decision criteria include interest of the governors and potential trainees, training facilities and resources, logistical feasibility, and experiemental considerations.

From an experimental point of view it would be desirable to have a cross-sectional sample of governorates: one that was well organized and well supplied with development resources; and one at the other end of the spectrum. These two cases would provide an opportunity to examine the effectiveness of training in providing a boost to a development program that already has its own momentum, and in initiating a development effort where little has existed before.

Topics To Be Covered

The selection of topics to be covered in the training progam will be finalized by the contractor and collaborating Egyptian institutions after exploratory workshops with potential participants. It can be anticipated, however, that following topics will likely be included:

- General orientation to decentralization process;
- Overview of the planning process;
- Rural development strategies;
- Needs assessment;

- Project identification;
- Project design;
- Implementation;
- Monitoring; and
- Evaluation.

While this list is not definitive it reflects the preliminary assessment of training needs that might feasibly be addressed in a short program.

Components of the Training Program

From the participants' point of view, there will be three elements to the training program: an initial exploratory workship; and executive briefing seminar; and a skills development Seminar. Each of the governorates involved will have its own complete set of these meetings.

Exploratory Workshop

The exploratory workshops will be held in late June or early July (before the beginning of Ramadan). These meetings will each be two or three days in length and will be convened in the respective governorate capitals. Their function will be two-fold: first, to introduce the training program to governorate, markaz and local government officials; and second, to ascertain from these people, the training needs that can be most effectively met by the program. This workshop is intended to make the training a participatory activity in which the recipients are also involved in setting the agenda.

Since this will be the first public activity of the training program, attendance maybe light. Particular effort should be made to extend personal invitations to key individuals, perhaps 20, who can be helpful in identifying training needs, and who can also explain the significance of the training to their associates. The workshop may be an activity that the governor would wish to sponsor.

Executive Briefing Seminar

The core of the training program is the skills development component designed for key staff members in development related ministries and organizatoins (at the governorate, markaz and local levels). Improving staff skills, however, is not productive unless the staff members' supervisors and the decision makers appreciate the utility of those improved skills. The

purpose of the executive briefing seminar is to provide those supervisors and decision makers with a conceptual overview of the material their staff will be studying in detail. The emphasis will be on the broad perspective of how the improved staff skills can be used to improve the overall performance of their respective units. The intent will be to create a receptive environment for the potential contribution of improved staff capabilities.

The executive briefing seminar will be short--only five days--as it is expected that the participants would not be able to afford the time to attend an extended program. It is anticipated that the seminar in each governorate will be attended by 25-30 participants including the governor or his representative, the senior official from each development related ministry and organization, the undersecretary for regional planning, each markez chairman, and a village chairman from each markaz. To minimize interruptions and maximize focus on the subject matter, the meeting will be convened at some suitable facility outside the governorate.

Skill Development Seminar

Each individual invited to the executive briefing seminar will be entitled to nominate a staff participant for the skill development seminar. This intense, two-week program will provide the participants an opportunity to develop the skills identified in the exploratory workshop. The training will be conducted in a residential facility outside the governorate, classes will be held morning and evening, and there will be daily homework assignments. Every effort will be made to give the participants an exhilarating training experience.

Language of Instruction

The language of instruction will be Arabic. It is realized that in the interests of gaining the contribution of international specialists it will be necessary to prepare some material in English, but the presentations will be made in Arabic by Egyptian counterparts. Follow-up discussions will be in Arabic with contract staff serving as supplemental resources.

Maximum effort will be made to ensure that the training materials used for the course are delivered in Arabic. In situations where this is not feasible, Arabic summaries of the material will be made available to the participants.

Training Material

The training contractor, in collaboration with Egyptian counterparts, will prepare a comprehensive training manual for the course. It will contain detailed notes of each lecture or

presentation as well as homework assignments, relevant background reading, pro-forma guidelines (for project design, and so forth) and instructions for calculator operation (if introduced). The material might be handed out at the beginning of the course, or a looseleaf format could be used with appropriate handouts as the course progresses.

The object of the training material is to give the participant a concise, well organized reference document that will continue to be useful long after the course is completed.

Faculty

The faculty will be joint Egyptian/expatriate. The intent is to make this program as relevant to the Egyptian experience as possible. All the teaching will be done by Egyptians. The principal role of the expatriates will be to serve as resource and design specialists and to facilitate administrative liason with USAID/Cairo. The contractor's staff will, in consultation with other participating parties, be responsible for overall design of the program and the individual components (including lecture outlines).

It is expected that for the training activity the contractor will supply approximately three faculty members (plus support staff) for periods of four to six months each. Collectively, they should have the skills that would be required to teach all of the subjects listed in the section on topics to be covered. In addition to these faculty, the team should include a senior researcher to collect data outside the training program to maximize the breadth of perspective in the task of designing the follow-on project.

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Relationship to Egyptian Counterpart Organizations

One of the important issues to be addressed in mounting and then evaluating this pilot training effort will be the nature of the collaborative relationship between the contractor and counterpart Egyptian institutions. The U.S. Agency for International Development is commited to the principle of helping Egyptian institutions realize their full potential in contributing to national development. The creation of new ad hoc organizations should be avoided when existing organizations have the potential for performing the same function. Through this pilot project, USAID hopes to identify an appropriate institutional home for future phases of this training in a long-term follow-on program. At this stage of the planning, however, it would be premature to commit to a binding relationship; there are still many issues to be examined. For purposes of this pilot training phase, USAID

will seek to establish a steering comittee of senior representatives from the General Secretariate for Local Government, the Organization for the Reconstruction and Development of the Egyptian Village (ORDEV), the Ministry of Planning, the National Institute for Management Development, USAID, and the Deputy Prime Minister's Office (DPMO). The representative from the DPMO would be chairperson. This group would serve as an advisory board with executive responsibility vested in the U.S. contractor.

It is expected that the contractor will establish a collaborative relationship with the National Institute of Management Development (Sadat Academy of Management Sciences) and that the institute would play a major role (for which it would be compensated) in the implementation of the training. It is anticipated that the contractor's staff preparing for the training will arrange to work at the institute. Egyptian faculty for the training program will be drawn both from within the institute and from outside sources as deemed appropriate by the contractor.

This organizational arrangement will provide an opportunity for an exploratory effort in collaboration, and will hopefully lead to a subsequent recommendation on institutional arrangements for the future. For the sake of expediency, USAID funding during this pilot phase will be channeled throught the contractor. During the the long-term follow-on program, however, it should be administered through the Egyptian counterpart organization.

Instructional Strategy

This project is designed to provide practical, in-service training for professionals already working on problems of development. The faculty should strive to make the instruction relevant to the experience and responsibilities of the participants. Instructional examples and case studies should be based on recent empirical data from the participants' governorate. Emphasis will be placed on skill building. This calls for regular discussion groups to give participants opportunities to ask questions informally. Tests will not be needed, but homework exercises can be used to help particpants develop proficiency with the new techniques.

The students and faculty should be in full time residence at the training facility. External interruptions are to be minimized (Participants will need to be officially released from their normal responsibilities during the training period). The accomodations should be sufficiently attractive to discourage participants from wanting to commute from home or other lodgings.

Coordination With Other USAID Projects

Several other USAID projects are addressing issues related to decentralized development. The contractor will be responsible for ensuring that the training effort is coordinated with the activities of these projects. This coordination will cover at least three dimensions: conceptual content; training activity; and location of program.

Conceptual Content

For purposes of program coherence, all of the USAID sponsored activities should reflect a common conceptual frame of reference, both in macro perspective and in project specific detail. In this training program, for example, cognizance should be taken of the proposed USAID-sponsored project on Monitoring and Evaluating Decentralization. Care should be taken to avoid inconsistencies and conflict between the perspective being taught in training and that assumed in the monitoring and evaluation project. Similarly, the training should be conceptually compatable with other USAID activities.

Training Activity

The contractor should review the training activity of other USAID projects (and also become familiar with other relevant training in Egypt). The purpose is to inform the design of this program to minimize duplication and maximize complementary effectiveness.

Location

Given the scarcity of resources, the training should be offered in governorates where it is likely to be most productive. This may or may not coincide with areas served by other USAID-sponsored training programs. One of the important issues to be addressed in the evaluation will be the question of where future training activities growing out of this pilot effort should be locate with respect to other USAID programs.

Evaluation and Design

To date USAID's decentralization support projects have developed as carefully designed responses to specific types of problems. As these projects mature, there is a growing need for an integrating effort that will enhance their complementarities and address still unmet needs. The mission has begun preliminary design work on a new project effort that will seek to link and complement existing project activities in a manner that facilitates the growth of Egypt's decentralized development

capacity. The training program described in the preceding section is intended to serve not only the immediate objective of skill development, but also the longer run purpose of providing a basis of experience for this design work. The evaluation then, is not just an assessment of how well the training was done, but an exploration for the more fundamental issue of how USAID might assist Egypt in developing the staff capability needed for effective decentralization.

Evaluation

The evaluation is intended to provide data on a series of issues including:

1. What are the principal needs Egypt faces in implementing its decentralization program?

2. How appropriate is training as a means of assisting with this effort?

3. How appropriate is this type of training?

4. How well did this training activity work?

   - Was the choice of participants appropriate?

   - Was the presentation of material effective?

     - Pace

     - Style

     - Teaching materials

   - Were the facilities and accomodations acceptable?

5. What sort of institutional counterpart arrangements are most suitable?

6. How can expatriates be used most effectively?

7. How can coordination with other projects, especially those sponsored by USAID, be accomplished to best advantage?

8. How can long term continuity and follow-up be built into a project?

9. What spin-off advantage or disadvantages might be anticipated?

10. How can multiplier effects be achieved?

11. How should Egyptian trainers be trained?

    - In Egypt?
    - Long-term study in the United States?
    - Foreign study tours?
    - Third country training?

12. How can Egypt's success cases be used as demonstration projects?

These are but a few illustrative issues to be addressed. The contractor will be expected to work closely with the mission during the evaluation phase to ensure that the mission's questions are being addressed.

Design

The final responsibility of the contractor will be to prepare a draft design for a comprehensive decentralization support project that articulates an integrated conceptual structure linking ongoing USAID projects with proposed new activities. The proposed strategy should cover a five- to ten-year time span providing specific recommendations for how the mission might proceed.

NOTES

Introduction to Part One

1. Project DSAN-C-0060, Regional Planning and Area Development, with the University of Wisconsin/Madison and project DSAN-CA-0199, Projection Managing Decentralization, with the University of California/Berkeley. Both projects are administered by AID's Office of Rural Development and Development Administration.

2. The staff of the Regional Planning and Area Development Project have identified conditions from the literature and grouped them into four areas: (1) political and administrative support, (2) clearly defined decentralization policies and procedures, (3) local resources and administrative capacity, and (4) environmental conditions (see figure 4). The report notes that while these conditions are not reprequesites to beginning decentralization, it can be stated with more confidence that the fewer conditions that exist, or the greater the obstacles to creating them, the more difficulty policy makers can expect in implementing decentralization" (Regional Planning and Area Development project, 1980:58).

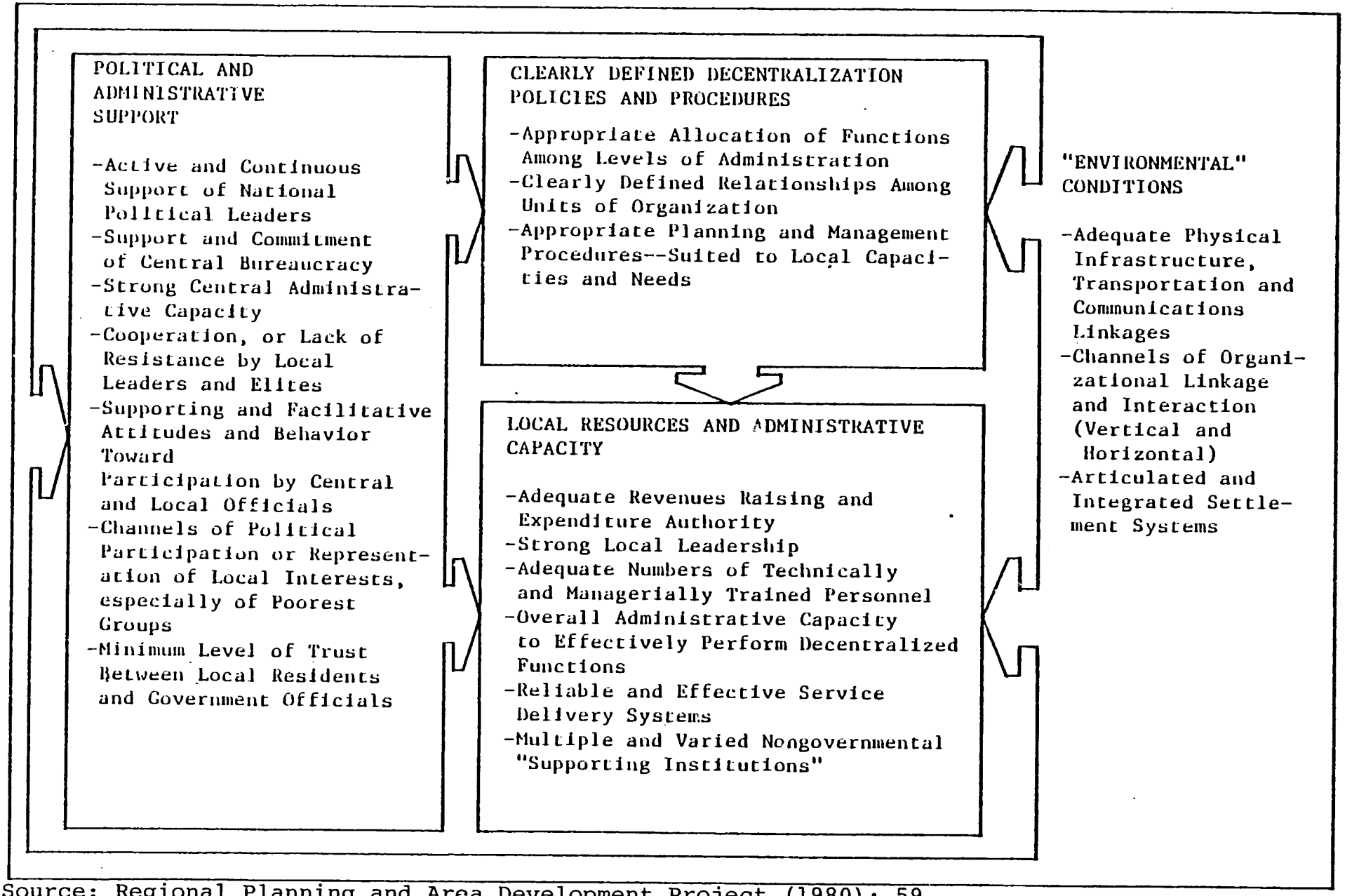
   This typology prompts two observations. First, there is no reasons to assume that these conditions carry equal weight as obstacles to decentralization. Indeed, implicit in both the Morss and Gow and Honadle articles is the premise that control over resources (point 11 in figure 3) is of prime importance. Second, this typology provides a useful framework for analyzing the thrust of Egyptian decentralization. The articles in part two document the support of national political leaders (point 1), the stress on clearly defined organizational structure (point 9), and channels of political participation (point 6), and the provision for local revenue collection and control (point 11). At the same time, there is a noted lack of appropriate planning and management procedures (point 10) or functioning organizational links (point 18).

Why Decentralization

1. To illustrate how firmly we hold to this concept see Christensen and Webber's (1980) contrast of government structures of knowland and Administration.

2. In all countries, the center has completed budgetary control over some items; in most countries, there is considerable budgetary bargaining; and in a smaller number of countries, there are a few items over which lower level governments have complete control.

Figure 3. Conditions for Effective Administrative Decentralization



Source: Regional Planning and Area Development Project (1980): 59

Linking Decentralization and Capacity Building

1. Not recognizing this, however, has often resulted in project designs which assume that civil servants will behave as irrational "noble bureaucrats." See Honadle, 1979.

2. This mentality is represented in Eaton, 1977.

Introduction to Part Two

1. See note 2 to the introduction to part one for other constraints.

Law to Practice Period: The Status of Implementing Decentralization

1. Several other administrative units exist but are found primarily in the urban areas.

Introduction to Part Three

1. The importance of these six of the seven capacity building elements identified by Honadle (1981a) is easily found in the description of an action oriented training program provided in Honadle and Hannah. The seventh element, control over resources, would appear to be outside of the purview of a training program, per se. However, as with discussions of incentives, specifying the problem and raising issues of sequencing and change strategies (Honadle, 1981a: 43-48) is presumabley a part of the action approach's concern for organizational enhancement, self-sustainability, and dealing with real life problems.

Design II: A Pilot Training Project

1. Eventually, three governorates (Assuit, New Valley, and Qalyubia) were selected.

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