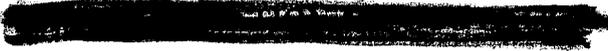


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AN ASSESSMENT OF POLITICS AND GOVERNANCE IN MADAGASCAR

Draft Report of April 24, 1994



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TABLE OF CONTENTS

LIST OF ACRONYMS	iii
CHRONOLOGY	vii
EXECUTIVE SUMMARY	ix
I. INTRODUCTION AND OVERVIEW	1
A. Assessment Purpose and Objectives	1
B. Assessment Structure and Content	1
C. Assessment Approach and Methodology	1
D. Assessment Assumptions	2
E. Assessment Focus	2
II. MAPPING THE POLITICAL ECONOMY	3
A. Background to and History Since the Democratic Transition	3
1. Legacies from the Colonial Period Through the Second Republic	3
2. Collapse of the Second Republic and the Transition	6
B. Political Forces: Actors and Relationships	17
1. Underlying Factors of Political Association	17
2. Political Parties and Movements	19
III. AN ASSESSMENT OF EMERGING DEMOCRATIC INSTITUTIONS: THE STATE . . .	25
A. The Constitution and Its Provisions	25
1. Overview of the Third Republic Constitution	25
2. Specific Constitutional Provisions	27
a) Constitutional Supremacy	27
b) Amending the Constitution	27
3. Popular Limits - Electoral Choice	28
a) Periodic Elections	28
b) Fairness of Elections	28
c) Handling Election Disputes	29
d) The Mode of Representation	30
e) Administration of Elections	30
f) Referendum, Petition, Popular Vote	30
B. An Overview of State Institutions	31
1. The Structure of the Executive	31
a) The Presidency	31
b) The Prime Minister and Government	33
c) The State Bureaucracy	36
2. The Legislature	37
a) The National Assembly	37
3. The Judiciary	41

4. Decentralization	41
5. Synthesis and Conclusions	46
a) The Capacity of State Institutions	46
b) The Political Will to Govern Well	47
 IV. EMERGING DEMOCRATIC INSTITUTIONS: CIVIL SOCIETY	 48
A. The Enabling Environment for Civil Society Development	48
B. The Composition of Modern Malagasy Civil Society	50
1. The Church	50
2. The NGO Community	51
3. The Independent Media	54
4. Labor Unions	56
C. Assessing Civil Society's Potential for Democratic Governance	58
1. Engaging the State and Building a Civic Culture	60
2. Building Self-Governance Capacity from Below	62
a) The Emergence of Modern Self-Governing Bodies	62
b) The Revival of Traditional Forms of Self-Governance	63
c) The Role of NGOs	63
d) Decentralization and Self-Governance	63
D. Linkage Institutions: Their Capacity for Facilitating Democratic Governance	63
1. The National Assembly and Other State Fora	63
2. Political Society	64
3. The System of Public Education	65
4. Independent Fora	65
 V. PROGRAMMATIC OPTIONS AND FUTURE DESIGN ISSUES	 67
A. Overall Governance Context: Conclusions	67
1. The Durability of the Democratic Transition	67
2. The Potential for Further Reform and Improved Governance	68
3. The Basis for USAID Support to Democratic Governance Reform	68
B. Summary Overview of USAID's Country Program & Strategy	69
C. A Conceptual Framework for Prioritizing Program Options	70
1. Broad Areas of Focus	70
2. Specific Criteria Used in Prioritizing Program Options	70
D. Program Options and Recommendations	72
1. Near-Term Objectives in Democratic Governance	72
a) Strengthen Civil Society	72
b) Strengthen Linkage Institutions	73
c) Strengthen Democratic Disciplines and the Enabling Environment	73
E. Specific Programmatic Recommendations	74
1. Option One	75
2. Option Two	77
 ANNEXES	
Annex 1. List of Individuals and Organizations Interviewed	80

LIST OF ACRONYMS

ACCORD	an NGO
ADM	Alliance Democratique de Madagascar
AKFM (ex-AKFM-KDRSM)	Antokon’Ny Kongresin’Ny Fahaleovantenan’i Madagasikara (Parti du congres de l’indépendance de madagascar)
AKFM-Renouveau or AKFM-Fanavaozana	Antokon’Ny Kongresin’Ny Fahaleovantenan’i MadagasikaraFanavaozana (Parti du congres de l’indépendance de Madagascar-Renouveau)
ANP	L’Assemble Nationale Populaire
ANTSO	ex-parti pro-Ratsiraka (The Call)
APEM	Association pour la Promotion des Entreprises a Madagascar
ARCHE-Fanekena	Parti Chretien (Arche-Accord)
AREMA	Action pour la Renaissance de Madagascar
ASONG	a network of NGOs
CERES	Cercle d’etudes et de reflexion economique et social
CCFA	Constitutional Administrative and Financial Court
CFSI	Centre de Formation des Specialistes de l’Information
CFTC	Confederation Francaise des Travailleurs Chretiens
CFV	Cartel de Forces Vives
CGT-M	Confederation Generale des Travailleurs-Malagashe
CIDST	Centre d’information et de Documentation Scientifique et Technique
CNE	National Electoral Council
CNEF	Conseil National des Etats Federalistes
CNJ	National Council for Justice
CNOE	Comite National pour l’Observation des Elections

CNT/PTT	Postal and Telecommunications Workers Union
COMODE	Conseil Malagache des ONG pour le Developpement and l'Environment
CONECS	Conseil National Economique et Social du Secteur Prive
CPSP	Country Program and Strategy Paper
CRES	Conseil de Redressement Economique et Sociale
CSDDM	Comite de Soutien au Developpement de la Democratie a Madagascar
D/G	Democracy and Governance
DG	Democratic Governance
DGID	Direction Generale de l'Information et de la Documentation
FAMIMA	Faritra Miara Mandroaso (Regions which develop together)
FARIMBONA	Pro-Forces Vives Rasalama (Solidarity)
FFKM	Federation des Eglises Chretiennes a Madagascar
FFS	Fiaraha-Miasa Foibe Sendikaly (trade union federation)
FIHAONANA	Party (Meeting)
FISA	Fianakaviana sambatra (Happy Family)
FISEMA	Firaisamben'ny Sendika Malagasy (trade union)
FISEMA/RE	Firaisamben'ny Sendika Malagasy Revolisionera (Union des syndicats revolutionnaires malgaches)
Fiv.Mpa.MA	Fivondronan'ny Mpandraharaha Malagasy
FIVOARANA	(Progress)
FJKM	l'Eglise de Jesus-Christ a Madagascar
FMM	Fikambanan'ny Mpiasa Malagasy (trade union federation)
FNDR	Front National pour la Defense de la Revolution
FSM	Front Syndical Malagasy (trade union federation)

FVR	Forces Vives Rasalama
GEM	Groupement des Entreprises Malgaches
GLM	Groupement Liberal de Madagascar
GO-MAN	Groupement des Operateurs Economiques de Mahajanga-Nouveau Style
GRAD-ILOAFO	Groupement de Reflexion et d'Actoin pour le Developpement
HAE	Haute Aurorite de l'Etat
HCC	High Constitutional Court
IEC	Information, Education and Communications
IMF	International Monetary Fund
ISG	General Inspectorate for Justice
JCEM	Jeune Chambre Economique de Madagascar
LEADER/FANILO	Liberation Economique et Action Democratique pour la Reconstruction nationale
MAHAOLONA	Parti independant (What Man Can Do)
MFM	Mpitolona ho an'ny Fanjakan'ny Madinika (Parti du Pouvoir des Proletaires)
MIARA MIVOATRA	(To Change Together)
MIM	Mouvemount Intersyndical Malagasy
MONIMA	Madagasikara Otronin'ny Malagasy (Madagascar for the Malagasy)
MONIMA-K	Madagasikara Otronin'ny Malagasy (Madagascar for the Malagasy)
MMSM	Mouvement Militant pour le Socialisme Malgache
NA	National Assembly
NGOs	Non-governmental Organizations
PM	Prime Minister
PMO	Prime Minister's Office

PR	Proportional Representation
PRM	Parti Republicain de Madagascar
PSC	Personal Services Contractor
PSD	Parti Social Democrate
RPSD	Rassemblement pour la Social-Democratie
SAF	NGO of the Eglise de Jesus-Christ à Madagascar
SALFA	NGO of the Lutheran Church
SECES	Syndicat des Enseignants et Chercheurs de l'Enseignement Superieur (Union of Higher Education Teachers)
SEKRIMA	Sendika Kristiana Malagasy
SEMPIKRIMA	trade union federation affiliated with UDEC/AM political party
SEMPIMITO	trade union federation affiliated with MONIMA/IC political party
SEREMA	Sendika Revolisionera Malagasy (Syndicats revolutionnaires malgaches)
UDEC/MA	Union des Democrates-Chretiens
UNDD	Union Nationale pour la Democratie et le Developpement (desormais unifie)
UNDD-Fahamarinana	Union Nationale pour le Democratie et le Developpement-Fahamarinana
UNDD-Herivelona	Union Nationale pour le Democratie et le Developpement-Herivelona
USAID	United States Agency for International Development
USAM	Union des Syndicats Autonomes de Madagascar
USIS	United States Information Service
VATOMIZANA	(Scales in balance)
VITM	Vonjy Iray tsy Mivaky

Chronology of Events Important to the Democratic Transition

1987	Second Republic President Ratsiraka moves election dates for the next presidential and legislature elections
Feb 1989	press censorship removed
March 1989	Ratsiraka officially wins the presidential election
April 1989	student-led popular demonstrations protesting the election results lead to rioting in the capital; President Ratsiraka's ruling coalition begins to break down
Feb and Aug 1990	church federation (FFKM) sponsors two conferences on developing a non-socialist constitution
May 1990	Second Republic constitution amended to allow free formation of political parties
late 1990	opposition, including political parties and other groups, form Forces Vives and select Albert Zafy to be their president
July 1991	after months of organizing general strikes and demonstrations, Forces Vives proclaims an "insurrectional government" and begins taking over government buildings with the help of civil servants
Aug 10, 1991	Presidential guard fires on large demonstration; churches, military leaders and donors withdraw support from Ratsiraka government
Oct 1991	Panorama Agreement sets up transitional government structure to draw up new constitution and manage elections
March 1992	National Forum discusses and modifies draft constitution
Aug 19, 1992	national referendum approves new constitution
Feb 1993	Presidential election won by Forces Vives president Albert Zafy
March 1993	new president installed
June 1993	elections for National Assembly; 25 parties win representation - 8 have more than 5 seats, Forces Vives with 48 has largest block

early Aug 1993 National Assembly elects Prime Minister, chooses Ravony of CSDDM (2 seats), member of G-6 coalition formed to oppose Forces Vives and its allies because of Forces Vives' perceived hegemonic tendencies

Aug 27, 1993 Prime Minister Ravony forms a government, includes some Forces Vives deputies as ministers

EXECUTIVE SUMMARY

Analysis of the Governance Context

The Malagasy political system is sufficiently advanced on the path towards democratic governance to support the achievement of the other goals of sustainable development defined in USAID's overall policy approach, i.e., to play a part in improving the management of natural resources and the environment, to support health and population programs, and to implement a set of liberalized economic policies. In 1993 Madagascar began its Third Republic since independence under a new constitution and new leaders after concerted popular pressure forced the long-serving previous president to move first towards a democratic structure and then to multi-party elections that were won by the leaders of the popular movement in favor of democratic reform. An intense process, completed by a popular referendum in August 1992, produced a new constitution that mandated a radically different institutional structure with a more equal balance of power between executive, legislature and judiciary, and power in the executive divided between President and Prime Minister.

A tremendous amount of change has been accomplished in Madagascar since 1989, and the national preference for a democratic system has been clearly expressed. Translating the intentions of the constitution into new institutions and practices that are accepted by the electorate as democratic and fair will take time, as will building the capacity of civil society groups to participate in the policy process. So far, all movement has been forward, and the progress has been impressive. The Malagasy are now beginning to implement what they pushed for, and the new system is radically unlike what they have experienced before. Governance transitions are always uneven, with opportunities in some areas and other areas where assistance might be premature or inappropriate. In Madagascar there are a number of opportunities to work with government and civil society through activities that assist all Malagasy to understand the implications of democracy in general and the institutions specified in the Third Republic's constitution.

In spite of all the positive steps, Madagascar is still early in the process of implementing a democratic system. For example, the intention of the popular movement and the framers of the constitution was to reduce the power of the presidency but the constitution is not always clear about the division of powers between the President and the Prime Minister. The President has occasionally tried to bring responsibilities under the Office of the President. Some Malagasy have interpreted some of his actions as grabbing power for the Presidency; others have seen the President to be acting decisively and responsibly in a power vacuum. The President's party holds the largest block of seats in parliament, but the Prime Minister heads the larger coalition of parties that formed to oppose what were perceived as domineering tendencies in the President's party. A necessary part of the process of implementing democratic government will be finding generally accepted and democratic solutions to the division of power between the President and Prime Minister through practice and, possibly, through judicial interpretation of the intention of the constitution. The devil is in the details, but the judgement of the assessment

team is that the Malagasy will work out their differences within the framework of the constitution, watched over by the churches.

In the other branches of government a number of institutional arrangements specified in the constitution are not yet in place: for the judiciary, for local government and for a second house in the legislature. The implementation process must also include getting them up and running satisfactorily. This will take some time to accomplish, particularly given the country's economic circumstances.

The implementation process will not be carried out under the ideal conditions of a strong state and a strong civil society. The Malagasy have little more than their experiences that began with the popular movement that began in 1989 to help them find democratic solutions to the implementation problems ahead. For the most part, the politicians now in power are new to governing; they are not directly tainted by the political culture of the Second Republic, but they are inexperienced, particularly with managing the new requirements of democratic governance. The popular movement brought together people who had little experience of working together to affect the political process, and, except within the churches, little experience working together across the lines of family/clan/ethnic group/region for any purpose. Malagasy society has not been rich in horizontal associations that bring people of different backgrounds together through a common interest; the Second Republic repressed such organizations if their purposes had political implications, and Malagasy associational life has traditionally been vertical, patron-client relationships and hierarchies based on membership of clans, etc. The churches, which do have networks of members reaching across regions and from the grassroots to the capital and which played an important role in bringing about the change to a democratic system, have for the moment withdrawn from the political arena. Building civic groups that have broad memberships, democratic internal procedures and that can stand up for their interests in the political arena when necessary will take time. The political parties, the media, and the lawyers and judges who deal with public interest law all act to link the general public to the political process in a democracy. In this area, too, there are enormous positive changes in Madagascar since 1989, and some distance still to go.

Recommendations

USAID's democratic governance strategy in Madagascar should focus on strengthening the capacity of the Malagasy to demand democratic governance more effectively.

This goal can best be achieved by focussing assistance on civil society actors and micro-targets within the government. Specifically, USAID can assist in:

1. strengthening civil society associations to engage the state in policy dialogue, monitor state performance and work with other groups on civic education and capacity building;
2. assisting linkage institutions, particularly the media and political parties, to carry

out their democracy-supporting functions;

3. supporting state institutions that deepen democratic practices or engage in policy formulation or performance monitoring.

There are two options for undertaking these activities:

OPTION ONE: More Strategic Use of Small-Scale Democratic Governance Resources

Under Option One, USAID's DG efforts in Madagascar could be given more coherence by concentrating all available funds strategically by deepening and broadening the base of civil society and linkage institutions, and focussing on a limited number of critical demand and supply functions. It would involve a plan for a coherent two to three year mission-directed and largely mission-funded DG activity, adding \$200,00 to \$300,000 per year to existing DG commitments. The plan would have two components. It would focus primarily on strengthening the institutional capacity of targeted civil society actors and linkage institutions through technical assistance, training and exchange programs, and would provide funding for a series of workshops, seminars and colloquia bringing together civil society actors to discuss common strategies for increasing participation in state governance and decision making; and bringing together state and civil society actors to exchange views and opinions on a range of policy reform issues.

OPTION TWO: A New Multi-component D/G Project (\$2-\$5 million 1994-1996)

This second option is for a modest stand-alone, multi-component D/G project which would enable the Mission to go beyond the activities outlined in Option One above.

The project would be based on making DG a cross-cutting theme. The objective of this project would be to provide a funding mechanism for strengthening the capacity of (i) civil society to undertake and participate more fully in governance functions, to build more extensive alliances for governance reform, and to interact more effectively with government; and (ii) linkage institutions to facilitate dialogue between the state and civil society, undertake mediation and conflict resolution functions, and serve to increase broad based participation in national level affairs through the dissemination of information and education. It would (i) create an autonomous new civic organization (the Forum for Civic Action and Education) which would be responsible for managing the other components. It would create a civic organization Resource Center catering to the needs of NGOs and the independent press. It would attempt to improve the capabilities of NGOs and media practitioners in several different technical and management areas. It would sponsor open forums to bring together policy makers and members of civil society to discuss issues and share ideas on a wide range of matters. It would sponsor non-partisan research and studies on a range of policy reform issues. It would set up a trust fund under the Forum to respond to the changing needs and capabilities of civil society groups with a variety of forms of financial assistance.

I. INTRODUCTION AND OVERVIEW

A. Assessment Purpose and Objectives

Three years of popular pressure, from 1989 to 1992, brought about a political transformation in Madagascar. The country now has a new constitution, new leaders and new political structures. The desire of the Malagasy people for a democratic system was repeatedly demonstrated. Now the country must make its new system work. Because the changes are so great and so unlike previous institutions in Madagascar, politicians and people are finding implementation challenging.

The two major objectives of this assessment are to provide (i) a summary review of the political economy, particularly the identification of key players and interests emerging in the aftermath of the legislative elections of June 1993 and the establishment of a new government at the end of August 1993; and (ii) a review of areas where the Malagasy feel strengthening governance is important, and the identification of areas which look most promising and show highest priority and impact for USAID support.

B. Assessment Structure and Content

This study is divided into four parts. Part II presents a "political map" of the country's political forces that have evolved since the beginning of the democratic transition. Parts III and IV describe the two primary emerging democratic institutions, the state and civil society. The sections include some assessment of the potential for further political reform and improved democratic government. Options for USAID are presented in Part V. A set of annexes follows the main body of the text including the assessment scope of work, list of organizations and individuals interviewed, and documents referred to.

C. Assessment Approach and Methodology

The assessment team was made up of four political and social scientists, including two North Americans and two Malagasy, with backgrounds and expertise in the areas of state and civil society institutional analysis. During the assessment period -- February 15, through March 22, 1994 -- the team reviewed numerous documents provided by the USAID Mission, the American Embassy and a range of donors, NGOs and government agencies; and conducted dozens of interviews with concerned officers within USAID, the Embassy and USIS, a range of state and civil society actors, political party leaders, and several of the more active donors resident in Madagascar. The team could not get out of the capital city and meet with concerned individuals and organizations working at the subnational level because of the damage done to the roads by a cyclone the week before the team's arrival. This gap was somewhat mitigated by the extensive knowledge of the Malagasy team members and a number of important sectoral studies previously completed by the Mission which provided a significant degree of description and analysis on key governance issues.

D. Assessment Assumptions

The concept of democratic governance (D/G) combines principles of democracy (e.g., political pluralism, respect for human rights, and regular elections), with those of good governance (e.g., transparency and informational openness, accountability, the rule of law, and participation). The underlying notion of D/G is that governance is a process firmly embedded within society and not just within the institutions of the state. The implications are two-fold: (i) that democratic governance is a shared function that depends for its success on the active involvement of the non-state sector, or "civil society," and its capacity to demand good governance from the state; and (ii) that, since civil society also performs governance functions by giving people experience in operating institutions and, in many cases, by managing public resources, non-state institutions are very much involved in the supply of good governance as well.

The role of the state is not only to supply good governance but also to ensure that the enabling environment within which social and economic life take place is firmly established and sustained. The country's new constitution requires equally from state and civil society actors their adherence to the norms and values associated with a regime of democratic governance. The point is that all democracies require both a strong state and a strong civil society to succeed. Both state and civil society institutions will be assessed here.

E. Assessment Focus

Specifically, the assessment will scrutinize the state's ability to provide an enabling environment defined by the rule of law, as well as its capacity to discharge governance functions, including the allocation and management of public resources, in a transparent, participative, responsive and accountable manner. Civil society is assessed not only in terms of its role as a countervailing force to the state through monitoring of state actions but in its ability to engage the state in policy dialogue and to affect state decision-making through such activities as lobbying, advocacy and the independent formulation and analysis of public policy.

The history of Madagascar, as of many African states, has been one of the centralized power as the basic organizing principle of political life. It has, in short, been an exercise in state building at the expense of nation building. From the earliest days of the Merina Empire, through the colonial period and into the First Republic, and most importantly with the establishment of the Second Republic, the concentration of power within the institutions of the state, and particularly within the executive, became the defining form of governance relations. In assessing the potential for further political reform in the Third Republic, an analysis of three sets of institutional relationships will be undertaken. The purpose of this exercise will be to determine whether the asymmetries in power resulting from over thirty years of practice during Madagascar's post-colonial era, have been replaced by the concept of "shared (democratic) governance" and a structure that produces a balance of powers.

At the intersection of the state and civil society are a set of institutions which link social and economic interests located within society to the political process: (i) through direct contestation

for and the eventual exercise of political power (political parties); (ii) from organized societal groups seeking to affect state policies and decision-making (lobbying elected representatives); (iii) clarifying the rules of the system (the courts); (iv) exposing the workings of the system and discussing current issues (the media); and (v) a range of state and civil society institutions which seek to provide neutral fora where a dispassionate exchange of views can take place with the express purpose of advancing public rather than individual interests.

Viewing the Mission's desire to support the process of Madagascar's democratic consolidation as a "target of opportunity," a set of options and recommendations will be presented that focus on improving the capacity of both civil society and state institutions to perform their respective functions.

II. MAPPING THE POLITICAL ECONOMY

Part II presents a profile of the principal political actors in the Third Republic and a "political map."

A. Background to and History Since the Democratic Transition

1. Legacies from the Colonial Period Through the Second Republic

The introduction of a system of democratic governance in Madagascar represents a radical break with the organization and practices of the past. Although many people argue that the traditional form of village organization, the *fokonolona*, represented a mitigated form of local democracy, all central regimes have been characterized, in varying degrees, by authoritarianism, a personalistic, patronage-oriented organizational base, and lack of capacity. This is the behavioral and organizational heritage from past Malagasy regimes, particularly that of the Second Republic, which the current regime inherits.

Successive Malagasy regimes have shared a hostility to the development of autonomous institutions in civil society. Non-political social and economic institutions - the clan, developmental NGOs, commercial enterprises - were generally left alone, but institutions whose activities had political implications - political parties, trade unions, the media - were strictly regulated. Under the Second Republic, legal political activity was restricted to those institutions that adhered to the Front National pour la Defense de la Revolution (FNDR) and swore allegiance to the principles of the Malagasy Socialist Revolution. The FNDR itself, ostensibly established to coordinate revolutionary strategy among its component (corporatist) units, also served as a framework for surveillance and control of their activities.

Control and censorship of the media was practiced by all previous regimes. For years the French colonial power refused to allow Malagasy (as opposed to French) citizens to edit newspapers and forbade the publication of anything likely to engender hatred of the colonial regime. Under the Second Republic, pre- and post-publication censorship was carried out by

not one but three organizations: the Ministry of Information, the President's Office, and the General Information Documentation Directorate (DGID). Journalists were required to belong to the Order of Journalists to practice their profession, and press cards were issued by the Ministry of Information, an effective means to control non-compliant individual journalists.

In addition to this formal regulation, informal control and intimidation were carried out by government agencies such as the territorial administration (Ministry of Interior) and the secret services. Government services were often manipulated for the purposes of control: a known opposition figure might find himself denied a business license, or have his children denied admission to state schools.

The only institutions to maintain autonomy under the successive regimes were the various Christian denominations. In part this was due to their connections outside the island and their ability to raise money independently. The churches were able to maintain their own organizational, communications and education networks, which served as a set of mutually reinforcing resources. From this position, they were able, to a degree, to maintain an independent, and even critical position towards the government.

There were, however, limits to this independence. The churches could seldom protect their individual members from government harassment. Except in 1972 and 1991, the churches criticized the government but did not take action against it. They were not exempt from political controls: their press was subject to censorship like other media. In 1975 the Catholic journal Lumiere, the island's chief political newspaper, ceased publication rather than submit to the rules newly imposed by the Second Republic.

Other institutions survived in stunted and severely controlled forms. The media were small, unprofessional, and largely limited in their reach to Antananarivo. The union movement was weak and divided, and non-regime political parties were small and largely limited to regional bases.

However, none of Madagascar's previous regimes were truly totalitarian. In part this reflected the lack of capacity of state structures; for reasons to be discussed below, the state bureaucracy was always an unwieldy and unreliable instrument of control. But part of the reason also lay in the capacity of civil society and its institutions to resist the imposition of control. Precisely because the institutions allowed to survive were those, like the family, that barely emerged into public view, their activities could be difficult to track. An informal economic sector developed and grew in importance, particularly with the collapse of the Malagasy economy under the Second Republic.

Even public institutions like non-regime political parties had some powers of resistance: when President Ratsiraka of the Second Republic wanted to create a single party like those of the Marxist Democratic Republics he admired, the existing parties successfully rebuffed his efforts, and he had to accept a compromise in the form of the FNDR coalition. This underground resistance capacity of Malagasy society led to the end of both the First and the Second

Republics. These regimes fell as the result of the formation of opposition alliances of groups from civil society with varying degrees of organization and previous political activity.

The state institutions of earlier Malagasy regimes were not structured to foster democratic governance. They concentrated powers and functions in the executive branch, particularly in the Office of the President and in the territorial administration of the Ministry of Interior. In the First and Second Republics, the executive branch had de jure and de facto dominance over the legislatures and the judiciary. The constitutions of both republics gave their legislatures limited powers to amend proposed executive legislation. Moreover, each legislature was dominated by the regime party. Since the party leadership controlled nominations to the legislature and the territorial administration controlled elections, individual legislators had no autonomy.

In the same way, the judiciary was essentially an arm of the executive rather than an independent branch of the state. This was especially true during the Second Republic, which operated under the marxist conception of revolutionary justice which held that the judiciary should not be an independent entity. In 1980 members of the magistrature were required to swear allegiance to the principles of the Malagasy Socialist Revolution. Nominations and promotions of judges were strictly controlled by the President's Office by law and in practice.

Within the executive the center of power was the president and his 'entourage'. Both the First and Second Republics were dominated by their founding presidents until the collapse of the regime. Perpetuation rather than alternation in power was the rule. Ministers, and under the Second Republic the Prime Minister, were named by the president and removed by him at will. Within the bureaucracy the Ministry of Interior dominated the technical ministries. It far outnumbered them in terms of personnel, and at the local level the representatives of the territorial administration had authority over the activities of bureaucrats from the technical ministries. The autonomy of technical ministries was further limited by a lack of resources that became acute after the economic collapse of the early 1980s.

Politically, domination by the president rested on the control of networks of patron-client relations. These networks depended on large quantities of state resources. Because it was not possible for the president to control all the networks himself, the underlying political structure of both previous republics took the form of alliances between the network the president controlled directly and other networks controlled by 'barons' (the Malagasy term for an area of patron-client control is 'fief') with a bureaucratic and/or territorial basis of power.

The basis of Malagasy networks varies: family, region, common educational or shared bureaucratic (in the case of the army, military) experience could all be important, as was the simple agreement to cooperate in the pursuit of self-enrichment. Networks and allegiances have varying degrees of reliability. Family is the surest: Didier Ratsiraka, the president of the Second Republic, had his brother-in-law serve first as the director of the DGID and then as Minister of Defense. Other bases were less reliable, and the loyalty of the network usually depended on maintaining a supply of resources to it. Because the political system was not organized on

principles of effective bureaucratic operation, the bureaucracy was an unreliable instrument of policy implementation, and not always a reliable instrument of control.

Economic development policy suffered from this structure dominated by networks. Economic policy, and the control over the allocation of resources that it represented, was seen as a means to the end of perpetuating and furthering the patronage networks rather than as a way to generate economic growth and investment. Decisions to undertake particular types of policy initiative represented the victory of one network in gaining additional resources rather than a decision that action in a particular area was sound from an economic point of view. And even sound decisions had then to be handed over to the under-funded and patronage-ridden bureaucracy.

Corruption in both the First and Second Malagasy Republics was the result of the reliance on networks and should be seen as a manifestation or symptom of poor governance rather than its cause. It is important to establish the causal relationship of governance to corruption; it provides the conceptual and practical bases for undertaking governance reforms discussed later.

The people of the Third Malagasy Republic were not newly born in 1991. They grew up and, in some cases, became politically active under the systems described above. The organizations and practices of the First and Second Republics represent the political systems they know and, in the case of many of today's political actors, have operated successfully under. The firm establishment of democratic governance under the Third Republic thus requires learning and consolidating new forms of political organization and political action.

2. Collapse of the Second Republic and the Transition

During the transition from the Second to the Third Republic new political actors appeared and old ones changed their behavior. A series of shifting political alliances included a number of social and economic actors. The broad transition period under discussion runs from approximately 1989 to the installation of the Third Republic's Prime Minister and Government in August 1993 and should be distinguished from the narrow, formal Transition Period defined by the Panorama Accord of October 31, 1991 and lasting until the installation of the President in March 1993.

Didier Ratsiraka's Second Republic began with considerable political support. By the late 1980s much of that support had dissipated. The regime's growing oppressiveness alienated the general population, increasingly assertive political parties, and groups within civil society. The massive corruption and the visible wealth of the regime's leaders, including the families of the president and his wife, enraged the increasing impoverished working population, including state employees. Economic failure was the final factor in the loss of support. To these internal economic and political pressures could be added the steadily accelerating voice of the international donor community.

Tensions within the regime, and between regime and population, reached the point in 1987 that Ratsiraka delayed the elections projected for 1988, and reversed their order, advancing the date

of presidential elections to March, 1989. Ratsiraka expected the elections to reconfirm his control of the political system. Although Ratsiraka officially won the election, he did not get a majority in any of the major cities where, it should be noted, elections were more closely watched by independent observers.

After the election Ratsiraka's control began to crumble as coalition members defected and new opposition forces appeared. Although the Parti du Congres de l'Independence de Madagascar (AKFM), one of the regime's most reliable supporters, had backed Ratsiraka in the presidential election the party had been seriously divided. Its president, Richard Andriamanjato, had wanted to run himself, but this had been rejected by the party's political bureau. In late March 1989, Andriamanjato broke with his party and announced the formation of the AKFM-F or AKFM-Renouveau. Manandafy Rakotonirina, the leader of the Parti du Pouvoir des Proletaires (MFM), who had alternated between support for and opposition to the regime, took a stance that was sufficiently oppositional that he was ejected (again) from the Conseil Supreme de la Revolution.

Several political actors then protested what they considered to be the fraudulent nature of the presidential elections. They included two groups created just before the elections, the church-backed Comite National pour l'Observation des Elections (CNOE) and the Alliance Democratique de Madagascar (ADM), which grouped three alienated parties of the FNDR: a branch of MONIMA, MFM, and VITM. The protests led to student demonstrations that were then joined by the population of Antananarivo; on April 20, riots in the capital were put down with 5 deaths. Calls for a general strike were made, but these were not to be effective for another two years.

After the protests there was a pause in political activity. Respondents interviewed explained that the cause was the April visit of Pope John Paul II and the calculation that unrest during the visit would affect the projected alliance between the Catholic community and the Catholic Church. The prospects of such an alliance were, in fact, strengthened by the Pope's visit, during which he gave a speech extolling the benefits of democracy and the evils of repressive regimes.

Pressure for change resumed after the visit, and Ratsiraka made a major concession. He had already lifted press censorship in February, 1989. Now, in May 1990, the constitution was amended to allow the creation of political formations outside the FNDR. The lifting of this restriction led to a proliferation of new political parties.

Among them was the Union Nationale pour le Developpement et Democratie (UNDD), formed by Albert Zafy, a university professor who had been Minister of Health in the 1972-74 Ramanantsoa regime but who had abstained from politics since 1975. At the time, the party was not taken seriously. It was small, and its program -- the promotion of environmental issues -- raised eyebrows. However, Zafy did have the advantage of a record unblemished by collaboration with Ratsiraka.

Throughout 1990 the forces opposing the Ratsiraka regime tried to unite. Alignments were clarified in February and August 1990 when the FFKM (Federation des Eglises Chretiennes a

Madagascar), attempting to mediate between critics and supporters of the regime, held two conferences on the development of a non-socialist constitution for Madagascar. Ratsiraka and his supporters stayed away; those interested in replacing the regime did come and clarified their positions.

In late 1990, the coalition called the Forces Vives (FVR) or Hery Velona, was formed. It grouped the AKFM, the MFM, and the UNDD. In December, Zafy was declared President of Forces Vives, in part because neither Andriamanjato (AKFM) nor Rakotonirina (MFM) was willing to see the other lead the coalition, and because each felt that the small size of Zafy's party disqualified him as a serious rival. They were to be surprised by his energy and skills at populist oratory.

Forces Vives became a broad coalition of the three original political parties, other parties that joined later, trade unions including unions of state employees, professional groups, student groups, and individuals. Its organizational form was amorphous and varied according to the circumstances. It could be reduced at times to its political directorate of Zafy, Andriamanjato and Rakotonirina, or through its associated organizations and its appeal to non-organized groups like the Antananarivo poor, it could assemble crowds of hundreds of thousands. It was also able to spread its activities to the provinces through the MFM's large network and those of the student and civil servant's unions.

After the formation of the Forces Vives, events moved quickly. Civil servants went on strike, and their action was accompanied by periodic, and this time successful, general strikes in Antananarivo and the provincial capitals. In July, 1991 Forces Vives formed an "insurrectional government" and, with the cooperation of civil servants, began occupying government buildings. This action led to a split in Forces Vives. Manadafy Rakotonirina took the MFM out of the coalition over this issue of confrontational protest and an opposition government. (An alternative explanation for his departure from the FV was that he was not himself named opposition president.) He continued to cooperate in the effort to overthrow the regime.

The crucial event took place on August 10, 1991 when a crowd of over 300,000 marched on the presidential palace and the presidential guard fired on them; the resulting death toll was estimated at over 100. Three institutions that had been trying to mediate between the opposition and the regime then withdrew their support from the regime. The federation of churches, the FFKM, joined the anti-Ratsiraka alliance. Ratsiraka's Prime Minister, Guy Razanamasy, and the leaders of the Malagasy military announced their refusal to fire on any future demonstrations. Finally, foreign donors withdrew their support and urged the creation of a transitional regime.

Even so, it took some months and the veiled threat of a military coup to bring Ratsiraka to make the necessary compromises. In October 1991, the Panorama Agreement was negotiated between Ratsiraka and his supporters and the Forces Vives. It established that there would be a transition to a new regime and set up the institutions to manage the transition.

Three institutions were established, each with a different function, and each controlled by different political forces. The Haute Autorite de l'Etat (HAE) had Zafy (Forces Vives) as president. Organized into specialized commissions, it oversaw the operation of the state and general policy during the Transition Period. The transitional government, headed by Prime Minister Razanamasy (Mouvement Militant pour le Socialisme Malgache, MMSM), had the responsibility for actually managing the government. Each of these two institutions had a membership that carefully mixed the different elements of the Forces Vives alliance and representatives of Ratsiraka's support group, the MMSM. The third institution was a consultative body, the Conseil de Redressement Economique et Sociale (CRES), presided over by Andriamanjato (AKFM-R) and Rakotonirina (MFM), with a membership largely appointed by them on the nomination of socio-economic groups. (It is hard to resist the impression that CRES was created to give the two an official position and something to do during the Transition Period). The Transition Period tasks were to draw up the constitution of the Third Republic and to manage elections to the new institutions.

Ratsiraka continued to try to hold on to power. He insisted on running for president, and formed a federalist movement that seriously disrupted the process of the drafting of the constitution and the subsequent referendum. Rejecting the unitary constitution decided upon by delegates to the March 1992 National Forum, federalist groups, with the support of some elements of the military, seized government installations in several provincial capitals, particularly in coastal regions (in this Ratsiraka was supported by his old foe and friend, Monja Jaona, who set up an "autonomous state" in the region of Tulear). The federalist movement was based on an argument that a unitary state would revive the dominance of the Merina, but can be seen largely as an attempt by Ratsiraka and his associates to hang on to power by extra-constitutional means.

The October 1991 Panorama Agreement set out a constitution making process. The Prime Minister, in the Council of Government, would be assisted by the FFKM in the organization of a national forum and preparatory meetings in order to elaborate the new Constitution and Electoral Code for the Third Republic. Then "the Prime Minister, in the Council of Government, will convoke the electors and will organize a referendum with the purpose of adopting the new Constitution."

The elaboration of the draft Constitution took place in two phases: preparatory meetings and national meetings, followed by the National Forum (National Conference). The National Forum conducted a broad-ranging debate on the Constitution, but its elected members, drawn from the grassroots, attempted to incorporate principles unknown in constitutional law, such as the principle of "ray amana-dreny" (father and mother). One result of this broad-based participation was the apparent indecision over whether to opt for a presidential or parliamentary regime.

The October 31, 1991 Convention did not envision that the National Forum would draft a constitution, but rather that it would review a constitutional text prepared by the government. In fact the participants at the Forum were able to consider other drafts such as that presented by the MFM, the Force Vives Rasalama called the Zafy Constitution, and the federalist draft. The

final draft of the National Forum was then submitted to a committee of experts comprised of members of the three transitional institutions.

The Constitution of the Third Republic was subsequently adopted by the Malagasy people in the Referendum of August 19, 1992. By making use of the referendum, the transitional authorities employed a democratic procedure. Nonetheless, the text of the constitution was insufficiently discussed at the mass level, and instead of being an informed decision of the public on the fundamental law, the referendum became a plebiscite on the continuation in power of President Ratsiraka.

The Transition Period was a time of intense political activity. Groups formed around the forums that discussed the constitution, around the referendum itself, and around the subsequent elections. The presidential election, with its two-candidate run-off, did lead to a temporary coalescence of groups, but the party landscape fragmented again with the legislative elections as new groups formed to contest them and as people and groups denied places on the lists of existing parties split off to present their own candidates. In the end, over 80 parties, as well as assorted regional association and independents, contested the 138 available seats.

After Zafy won the presidential election in February 1993, the major parties involved in the legislative elections grouped themselves into three broad tendencies. The first was the "Mouvance Presidentielle" grouping supporters of Zafy, including the Cartel des Forces Vives, formed to be the electoral arm of the Forces Vives alliance. Zafy's party, the UNDD, had split over the issue of choosing his successor after he became President, although both successor groups continued to declare their loyalty to him. The second grouping included the MFM and those political associations opposed to Ratsiraka but not committed to Zafy. Finally, FAMIMA grouped the supporters of Ratsiraka.

Given the extreme fragmentation of political forces presenting candidates for the legislative elections of 1993, it is not surprising that the legislature that resulted from those elections displayed a fragmented party landscape. Over 10 parties were represented in the legislature, along with a number of independents.

The Cartel de Forces Vives (CFV) was by far the largest party in the legislature, and hoped, with the addition of support from its allies in the Mouvance Presidentielle and from the small parties and independents, to attain an absolute majority. However, during the course of electing the leadership of the National Assembly and the Prime Minister, several events occurred, in part provoked by the behavior of the CFV, that led to the formation of a counter-coalition. The CFV used its numbers to impose one of its leaders, Richard Andriamanjato, as president of the Assembly, and to occupy all the posts on the Bureau Permanent of the National Assembly. Andriamanjato had been Zafy's choice for the post, and fear that CFV strength would be used by Zafy to dominate the Assembly led to a counter-reaction on the part of the other parties. They began to seek the basis for a coalition that would break CFV dominance of the National Assembly.

The coalition began to form around the election of the Prime Minister. The nascent coalition fixed on Francisque Ravony, a former member of the MFM and former ally of Forces Vives, who had run a small party of his own, the Comité de Soutien au Développement de la Démocratie à Madagascar (CSDDM), in the legislative elections. Ravony was not Zafy's choice. He had established a sufficiently good reputation during the Transition Period that it was felt that a consensus could be formed around his candidacy. This proved to be the case. Because the vote electing the Prime Minister was secret, it is not known how each deputy voted; the final tally suggests that the anti-Forces Vives coalition was able to hold its votes and attract some from the Forces coalition itself.

The final step in constructing the counter-coalition, now known as the Group of Six or G-6, came with the elections of the presidents of the National Assembly's Commissions. After some discussion, the members of the G-6, to demonstrate their lack of desire for dominance, allocated 3 of the 10 Commission presidencies (although not the best ones) to the CFV and its allies. The rest were allocated to G-6 parties. The two coalitions still hold and their existence has influenced the operation of the new institutions of the Third Republic and the balance of forces in those institutions. The dynamics of these alliances will be discussed after looking at cleavages in Malagasy society and their effect on political cohesion.

Table 1

Groups and Alliances at the Beginning of the Transition Period

A. Forces Vives and Allies:

Forces Vives: an alliance of political parties, unions, professional associations, other associations and NGOs.

Parties involved (leader):	MFM	(Manandafy Rakotonirina)
	AKFM-R	(Richard Andriamanjato)
	PRM	(Ralison)
	UNDD	(Albert Zafy)

July 1991: FV splits over formation of insurrectional government

1. Forces Vives de Madagascar (Manadafy Rakotonirina):
The MFM only
2. Forces Vives Rasalama (Albert Zafy):
The original alliance without the MFM

B. Groups and Parties supporting Didier Ratsiraka and the maintenance of the Second Republic:

MMSM (Didier Ratsiraka)

Parties involved: AREMA (Didier Ratsiraka)

MONIMA-K (Monja Jaona)
VITM (Marojamy Razanabahiny)
UDECM (Norbert Andriamorasata)
ANTSO (Break-away from MFM)
AKFM-K (result of split in AKFM)

Groups involved: mainly unions affiliated with the above parties

C. Groups not directly involved in confrontations but involved in the process

1. FFKM (Federation of churches)
2. Armed Forces (including Gendarmerie)

Table 2

**Groups and Alliances at the Time of Elections for the President of the Third Republic
(November, 1992 - February, 1993)**

First Round: November 1992 (open to all candidates fulfilling certain conditions.)

A. Major Candidates (Parties Supporting)

1. Albert Zafy (UNDD, AKFM-R, PRM)
2. Manandafy Rakotonirina (MFM)
3. Didier Ratsiraka (MMSM, Federalist Movement)

B. Other Parties Presenting Candidates

1. RPSD
2. PSD
3. GRAD-ILOAFO
4. ARCHE-Fanekena
5. Independent Jacques Rabemananjara (former minister of 1st Republic, supported by Guy Razanamasy, Prime Minister of Transitional Government)

Second Round: February, 1993 (Open to two leading candidates from First Round)

A. Albert Zafy

Parties supporting: FVR
RPSD
GRAD-ILOAFO
ARCHE-Fanekena
MFM

B. Didier Ratsiraka

Parties supporting: MMSM
Federalist Movement

C. Declared Neutrality:

PSD
LEADER-FANILO
Rabemananjara

Table 3

Groups and Alliances at the Time of the Legislative Elections of June, 1993

A. Mouvance Presidentielle

1. Cartel des Forces Vives:

AKFM-R

UNDD-Herivelona (Ramangasoavina)

UNDD-Fahamarinana

2. PSD/RPSD

3. CSDDM (Ravony ex-MFM)

4. "Societes Civiles": Grad-Iloafo, Farimbona, ACCORD

B. Others

1. MFM

2. "Societes Civiles": Leader-Fanilo, Fihaonana

C. FAMIMA (union of AREMA and Federalists)

Table 4

Party Standings in the Assemblée Nationale (total seats: 138)

<u>Party</u>	<u>Seats</u>
CFV	48
LEADER-FANILO	14
FIHAONANA	9
FAMIMA	11
AKFM-Renouveau	5
MFM	15
PSD/RPSD	8
UNDD/HV	5
VITM	2
FARIMBONA	2
FIVOARANA	2
UNDD/F	2
CSDDM	2
ACCORD	2
VATOMIZANA	2
GRAD/ILOAFO	1
GLM	1
PRM	1
UDRN	1
MIARA MIVOATRA	1
MAHAOLONA	1
TSY MIANKINA AMIN'ANTOKO	1
IRAY VATSY SOLIDARITE	1
FILONGOA	1
AOMBILAHIVANGA	1

Table 5

Party Alignments in the National Assembly: February, 1994

1.	FVR AND ALLIES:	
	- AKFM/R	5
	- CFV	48
	- UNDD/HV	5
	- VITM	2
	- UNDD/F	2
	- PRM	1
	- FARIMBONA	2
	Total	65
2.	G-6:	
	- MFM	15
	- FIHAONANA	9
	- LEADER-FANILO	14
	- PSD/RPSD	8
	- FAMIMA	11
	- Independents ¹	16
	Total	73

¹ The group of Independents include: CSDDM (2), ACCORD (2), Fivoarana (2), Vatomizana (1), GRAD/ILOAPO (1), GLM (1), MIARA MIVOATRA (1), Mahaolona (1), TSY MIANKINA AMIN'ANTOKO (1), IRAY VATSY SOLIDARITE (1), PILONGOA (1), AOMBILAHIVANGA, (1), and UDRN (1)

B. Political Forces: Actors and Relationships

1. Underlying Factors of Political Association

As discussed earlier, the governing mechanisms of the presidents of the First and Second Republics were based on client-patron networks. These networks were built on Malagasy patterns of association. The Third Republic seeks to develop democratic structures and processes, but its political forces also rest on the foundation of Malagasy society. This society is largely organized around small, ascriptive groupings. The most important is the extended family, which provides both psychological and economic security to the vast majority of Malagasy. The importance of the family is reinforced by a series of religious beliefs that emphasize the ongoing importance of family ancestors in the lives of current members of the family. Malagasy who have prospered are expected to assist other members of the family.

Other bases of organization include region/ethnic groups. However, while ethnic groups are important, their degree of organization and solidarity should not be exaggerated. Most groups readily fragment into subgroups closer in size to the extended family, reflecting the fact that many groups are the creation of the colonial period and the classification schemes of colonial demographers. Ethnic-based organizations and leagues, common in other African societies, are not important in the Malagasy political landscape. More important than ethnicity is region, which assembles smaller groups than does ethnicity. Organizations of "originaires" of particular regions exist, for example, among the members of the National Assembly, and political actors from disadvantaged regions are very aware of the status of their region.

A well-known division in Malagasy politics is that between "cotier" and inhabitant of the Plateau, or more starkly, "cotier" and Merina. This division influences political activity and political arithmetic. It has several bases. The historically minded trace it to the activities of the nineteenth century Merina Empire, which conquered and exploited much of the island. Sociologically, it has its roots in the concentration of educational facilities and economic activities around the capital. This concentration began before the colonial period and was continued by the centralizing tendencies of the French. It has meant that opportunities for employment in the state or the modern economic sector have not been evenly distributed.

The French made a point of creating a cotier political elite to whom they handed over power at the end of the colonial period. Subsequently much political energy has been spent on balancing cotier claims to power based on their majority of the population and Merina claims to power based on their dominance of the educated class. Discussions of "redistribution" often serve as a cloak for this struggle.

The importance of the Merina/cotier division as an organizing principle for Malagasy political life should not be exaggerated because most of the time it is overshadowed by the smaller divisions discussed above. Also, as with ethnic groups, the solidarity of the two groupings should not be over-emphasized. The term "cotier" covers many groups, not all of whom live near the coast, and many of whom have a history of hostile relations with each other. Merina

society is fragmented by regional and caste divisions.

In the current political context ethnicity and regionalism play a limited role in national politics. Most of the major parties have been forced to take on national dimensions. The significant exceptions are the AKFM (both the pro Force Vives "Renouveau" branch and the opposition which are considered parties centered in Tananarivo comprised mainly of Merina, and PSD and RPSD (social democratic parties) which are overwhelmingly parties of the "coteriere," or lowland people. AREMA, the party of former President Ratsiraka, continues to draw a good deal of its support from the areas of Toamasina, Brickville, Mahanoro and Vatomandro, essential the East-Central littoral zone, Ratsiraka's home region. As a national party, however, AREMA's support was never confined to this region.

Another source of the structure of Malagasy political life is the influence of the Christian churches, to which about 40 percent of the population belongs, at least nominally. The churches control education systems and access to employment in them and other church organizations. The churches have access to outside support, including financial support. This organizational network provides them with the basis for political influence, as does the fact that much of the political and administrative elite is the product of the church educational system. The AKFM is especially identified with the protestant church through its association with Pasteur Richard Andriamanjato who led the entire AKFM movement prior to its split.

Except for church membership, the above groupings share two characteristics: they are ascriptive, that is, they are based on characteristics held from birth, and they are small. Associational interest groups, like unions or economic associations are rare and usually weak. As ascriptive groups, the dominant groups in Malagasy society provide little foundation for the associative activity that dominates politics in modern democracies. Moreover, the groups are small, and where they are larger, easily fragmented into smaller groupings. This creates a further difficulty for the establishment of a democratic system of governance, since the mosaic of many small groups does not easily provide a basis for the type of national organization that provides much of the cohesion in democratic systems.

Socio-professional distinctions, however, have increasingly become significant elements in the organization of contemporary Malagasy politics. A Malagasy business class has come into existence. At the beginning of the Second Republic, the economy of Madagascar was dominated by foreigners or by non-Malagasy residents. Large-scale importing and exporting were controlled by large French firms, and local commerce and manufacturing were largely in the hands of the Indian and Chinese minorities. The nationalization policies of the Second Republic ended this domination, and the privatization that has occurred since 1985 has not renewed it.

The current Malagasy business class is diverse. Some of its members, particularly on the Plateaux, have turned inherited wealth into business activities. The First and Second Republics added a non-Merina component to this group. The First Republic supported some degree of wealth creation for its political elite; this generation tended to put its money, however acquired, into land and cattle. Large-scale creation of wealth through corruption and other aspects of state

position really began with the Ramanantsoa regime and continued through the Second Republic. A lot of this money was spent on conspicuous consumption or sent abroad, but it also served as the basis for the creation of several fortunes, of which the best known are those of Ratsiraka's family and that of his wife. Lower level officials also made money. Some have turned to commercial and, to a lesser degree, manufacturing activities. Another source of the Malagasy business class is the state enterprises. Particularly with the advent of privatization, those with money took over the enterprises, while former managers and other employees moved into the private sector.

This business class influences some of the political movements, but because it is itself fragmented it does not provide a solid basis for the formation of a large-scale political movement. This is why the governing parties of previous regimes used the government bureaucracy, particularly the territorial administration, as their political base.

Today parties with the broader national organizational base are those which can draw upon the support of lower level government workers, notably teachers, and consequently on students, and more broadly with salaried workers. This is clearly the case for the MFM which probably has the best rural organization of any current Malagasy party. In recent years the MFM has lost some of its support among these groups as it moved away from Marxist-Leninism and toward a free-market orientation under the growing influence of upper level technocrats (a struggle in the party known as the "reds versus the experts"). MFM, nonetheless, maintains a good deal of its support with organized labor through its relationship with the TM Union (Workers' Struggle). Both AKFM factions, for their part, recruit heavily from the small business community, and from both craft workers and middle-level government workers. AREMA historically drew a good deal of its support from the urban poor of major cities, notably of Tananarivo. The UNDD, in turn, has increasingly become the party of executive branch civil servants since the election of President Zafy, following a long tradition on the part of civil servants to rally, voluntarily or involuntarily to the party of the President. Many of these UNDD supporters have defected from AREMA, the party of former President Ratsiraka. The PSD, originally created by civil servants from modest, often lowlands backgrounds, continues to draw considerable support from that strata of the work force. LEADER-FANILO, a recently created party drawn from a civil society association, is hardly a national party. In regions where it is relatively well established it draws its support mainly from the self-employed business community in the broadest sense of that term, covering everything from large farmers and herders to large scale merchants and traders. FIHANONANA is more difficult to characterize, but benefits from its support with traditional leaders and hence has some influence among the rural population.

2. Political Parties and Movements

The political landscape of the Malagasy Third Republic is populated by political parties and movements of varying ages, philosophies and degrees of organization. This section can not discuss the 80-plus political parties formed since restrictions on political activity were lifted in 1990. It will, rather, discuss the most important political groups and the relationships between them. For purposes of discussion, the movements have been grouped into those supporting

President Zafy and those belonging to the G-6, the two National Assembly coalitions. However, this does not imply that these two groups form homogeneous blocs. On the contrary, this section will argue that these groups are highly unstable and will explore the likelihood of solidification or realignment.

PRESIDENTIAL ALLIANCES

FORCES VIVES

The core of the presidential alliance is President Zafy's own party, the UNDD, and the other movements grouped under the heading of Forces Vives Rasalama. This grouping has undergone significant change since it assembled the crowds of Antananarivo to overthrow President Ratsiraka. At that time, it was a loose alliance of diverse groups with one unifying factor: a desire to bring about the end of the Second Republic.

At its core the UNDD has become the Presidential party, benefiting since the election of Zafy from the traditional rallying of forces, particularly of civil servants to the party which commands the executive branch. Since the election of Zafy many other groups have defected from the alliance. Associational or interest groups distanced themselves when the Forces Vives began running candidates for elections and started setting up the instruments of government. Some of these groups disappeared; some, like the civil servants' unions, have returned to their normal position as a pressure group on government, and some, like the student groups, seem to have returned to their usual posture of generalized opposition. Perhaps the most compelling reason for the dissipation of mass participation had nothing to do with politics or political motivation: two full years of national dislocation led by mid-1993 to a national economy that was in tatters, forcing individual households to turn their full attention to fighting for economic survival.

The core of Forces Vives has not escaped division. The President's party, the UNDD, split over the choice of a successor to Zafy after he became President of the Republic, with a significant group rejecting Zafy's choice of successor.² For the legislative elections, the movement created the Cartel des Forces Vives because not all member parties were willing to turn Forces Vives itself into a political party, or to present a single list of candidates. The CFV developed a stance that the leadership of Forces Vives found to be more independent than expected. There were disagreements over the choice of candidates for the party list, sometimes to the point that competing lists were presented.

In spite of these divisions, the candidates of CFV did well in the legislative elections, winning 48 seats, three times the total of the next largest party, with representation throughout the island. This plurality in the legislature allowed the Forces Vives, with allies, to choose the President of the Assembly and to take all the posts within the Bureau Politique. However, as described earlier the counter-coalition's candidate for Prime Minister attracted Forces Vives votes,

² At the time of this writing, a rapprochement between the two wings of the UNDD had taken place, one assumes, in anticipation of the upcoming territorial elections.

demonstrating that the movement's deputies could not always be counted on to form a solid bloc. One of the FVR representatives interviewed for the assessment said that the movement would attempt to regroup the "real" FVR deputies into a "Groupe Republicaine des Deputes."

Another problem for the FVR has been the fact that many of its top leaders, beginning with Zafy, have moved into official positions. This has left much of the political direction of the movement to its Political Department. This body was once the center of the movement, presided over by Richard Andriamanjato. Now it is characterized by an unfriendly Malagasy political figure as a "bunch of supplicants." The Political Department makes populist points, recently urging Zafy to activate the special powers provision of the Constitution to deal with the current economic crisis. It also serves as a source of pressure on Zafy to fulfill his populist promises of 1991 and the presidential campaign. Forces Vives lacks direction, and there appears to be no-one to serve as "party manager" for Zafy as Andre Resampa did for Tsiranana and L.M.X. Andrianarahinjaka did for Ratsiraka.

Forces Vives also appears to be shrinking. Several respondents doubted whether it would repeat its strong performance in the upcoming territorial elections. If its performance is poor, Forces Vives will not provide the support President Zafy wants, and he will have to make other alliances. This should not be impossible since the presidency is a good base from which to negotiate. The difficulty will lie in making new alliances without alienating Forces Vives.

THE AKFM-RENOUVEAU

The AKFM-F is a descendant of a party with a long history in Madagascar. The original AKFM, founded in 1958, was the major opposition party in the First Republic, and the only one to continue to hold seats in the legislature. Although classified as an opposition party, the AKFM always aspired to hold a share of government power and regularly made overtures to the PSD, which the PSD as regularly rejected. The AKFM was part of the "left alliance" that carried Didier Ratsiraka to power and, unlike MONIMA and the MFM, was a consistent supporter of the regime. For this it was rewarded with posts in the state economic entities. However, Andriamanjato broke with the AKFM in 1989, formed the AKFM-F or AKFM-Renouveau, and joined Zafy and Manandafy Rakotonirina in forming the original Forces Vives alliance.

The original AKFM was a party with strong Marxist leanings and with links, including financial ties, to "partis freres" in western and eastern Europe. It has taken what it refers to as a "pragmatic" stand since the collapse of communist regimes and parties in Europe. The party has sections and militants, often of very long standing, throughout the island, but it has never been able to translate its network into votes. Under the First and Second Republics this was in part the result of the domination of the electoral process by the regime parties, but in the 1993 legislative elections AKFM gained only 5 seats, less than several newer parties. All its seats were in Imerina, reflecting the other identification of the AKFM as the party of the Merina, and particularly Antananarivo, elite. No one has done a study of AKFM militants elsewhere in Madagascar to determine whether they are, in fact, transplanted Merina; it is likely that many

of them are.

The party has so far been part of the alliance supporting Albert Zafy and, given its degree of organization and discipline, one of the more solid components. There are several reasons for this. Although the more populist tenets Zafy upholds are far from the AKFM's continuing faith in state direction, his rejection of foreign involvement in Malagasy policy-making and his suspicion of institutions like the IMF are shared by the AKFM. The main attraction, however, is that through the alliance with Zafy the AKFM, with only 5 seats, has been able to move Andriamanjato and his associates into positions of power. This is a pragmatic alliance. The AKFM is disturbed by the current state of Forces Vives and has indicated that it might make other alliances for the forthcoming territorial elections. If there are further changes in alliances at the national level, and if the party thinks it can do better by changing alliances, it is likely to move.

OTHER COMPONENTS OF THE ALLIANCE

There are other, smaller parties attached to the presidential alliance. One of the more visible is ACCORD, with 2 deputies in the National Assembly. This party was formed by a group of "christian cadres" from the public and private sectors, and has an ambitious outreach program that includes the formation of peasant cooperatives to further agricultural diversification and savings, "auberges de jeunesse" so that the youth of Madagascar can travel around the island, and action in the environmental realm. The movement identifies itself with the christian democratic wing of the Catholic Church. However, the Church itself has never been particularly supportive of an independent christian democratic movement, and previous attempts to mount christian democratic parties in Madagascar have been unsuccessful. The party appears to owe its position almost entirely to its presence in the Forces Vives movement.

THE GROUPE DES SIX

The G-6 was formed by five parties or movements and the Groupe des Independents in reaction to the efforts of the Forces Vives and their allies to dominate the proceedings of the National Assembly. Although some of the parties have platforms that resemble each other, it is opposition to what is seen as a continuing attempt to impose Forces Vives dominance that unites the group. The group supported Francisque Ravony's candidacy for the Prime Ministership, but their current evaluations of his performance are mixed, and continued support for the Prime Minister is far less a factor in uniting this group than is that of opposition to the FVR. This means, of course, that should the FVR prove itself to be more open, alliances in the G-6 might also change.

THE MFM

Like the AKFM, the MFM has a relatively long history. It was founded in the early 1970s by Manandafy Rakotonirina and a group of students of Maoist inclinations. For a long time it had an insurrectionary side and a semi-clandestine organization, but it officially abandoned this

aspect of its existence in the mid-1980s and took up the cause of economic liberalization. Like the AKFM, it has a national network. (Successive regimes apparently exiled suspected MFM sympathizers in the teaching corps to the provinces, thereby aiding the spread of the party). Unlike the AKFM, it was able to turn this network into votes and seats in the 1993 legislative elections, although the party regards these elections as a defeat, since it failed to hold onto its seat in Antananarivo and did not get as many seats as it expected. (The MFM never gets as many votes as it expects to in elections, but it does not seem to regard this as a reason to change the basis of its political calculations). However, with 15 deputies and a reasonable regional representation, it is one of the most important parties in the Malagasy political system. The party has had an strong following among the students of the University of Madagascar, but the MFM is no longer as dominant in student politics as it once was. The party has also been subject to some splits. The most important came when Francisque Ravony, now Prime Minister, left to form the CSDDM, taking several associates with him.

Under the Second Republic, the MFM had a history of alternately supporting and opposing the regime. It has the same history in its alliance with the Forces Vives. The reasons for this instability are various. The party has some clear ideas about the form specific policies should take and is quite ready to pull out of alliances over disagreements rather than bargaining and compromising. Manadafy Rakotonirina and his colleagues are rarely satisfied with the amount of influence he and the party have in any given alliance. This independence keeps the MFM from playing a leadership role in its alliances; the MFM seems unlikely to try, for example, to negotiate a common program for the G-6.

LEADER-FANILO

The only other party with a significant legislative presence is Leader-Fanilo. Unlike the MFM, it is a new party which first presented candidates in the 1993 legislative elections. It considers itself, like several other party groupings, to be an association coming out of civil society and, in fact, rejects the label "political party." It was created by a group of "economic operators" who first attempted to act as an interest group but then decided that participation in politics was necessary to pursue their economic goals and defend their economic position in a period when economic policy would be very much in question. There is enough money within the group to finance their political activities and the movement was able to spread through networks of economic operators. It has deputies from Fianarantsoa, Mahajanga and Toliara provinces. It does not have deputies from Antananarivo.

Leader-Fanilo is particularly suspicious of Zafy, the FVR, and the populist policies they are seen to represent. Its support for Ravony is nuanced: it declares itself to be pragmatic about political alliances, not even excluding elements from the former AREMA (Action pour le Renaissance de Madagascar), and it has an avowed interest in exercising political power. Leader-Fanilo expects to do well in the forthcoming territorial elections, and its representatives were among those expressing the greatest skepticism about the survival powers of the FVR. They also expressed an interest in linking up with conservative legislators from other countries. However, none of the representatives of other parties interviewed displayed any particular attraction to

Leader-Fanilo as an alliance partner, nor does it appear likely to serve as a rallying point for the independents who are members of the G-6.

FIHAONANA

One party that might be expected to feel some attraction for Leader-Fanilo is Fihaonana, since both parties are composed largely of "economic actors." Fihaonana was founded by the Prime Minister of the Transitional Government and former Mayor of Antananarivo, Guy Razanamasy. It is more diverse in composition than Leader-Fanilo, with support from state employees, but less diverse in geographical spread, being limited largely to the provinces of Antananarivo and Fianarantsoa. It is less condemnatory of Zafy and his allies and less committed to Ravony. The party's strength lies in its social spread, but most importantly, in the reputation and person of Razanamasy. It does not consider Leader-Fanilo to be particularly close, in spite of some ideological similarities, and feels that it can do better on its own than in closer alliance with other political parties.

FAMIMA

FAMIMA is a grouping of the supporters of former President Ratsiraka, and its relative success in the 1993 legislative elections surprised many observers. It took this success as a demonstration of the fact that the popular resentment that led to the overthrow of the Second Republic was directed at one person, Ratsiraka, rather than at the AREMA party or the ideas it represented. FAMIMA has not been very visible since the legislative elections, but if AREMA forces stage a comeback in the territorial elections, it might well be under the leadership of FAMIMA.

PSD/RPSD

This party, an heir of the PSD of the First Republic, gained 8 seats in the legislative elections of 1993 and was one of the parties whose movement out of the presidential alliance allowed the G-6 to attain majority status in the National Assembly. It is very much a party of individuals, some of them leftovers or children of figures from the First Republic. It does not seem to have the collective impact to serve as a rallying point, but the followings of its individual representatives make them attractive to other parties, and it might well serve as the relaying point for another party to move to larger alliances.

These descriptions of political parties underline that individual politicians, not policy positions, attract support. On the whole, the connections between parties and constituents are tenuous. Jockeying for advantage, individuals split parties and coalitions easily. It is possible for them to unite in opposition, more difficult to pull together. It is not going to be easy for the Malagasy politicians to avoid deadlock or the tempting solution of rebuilding patronage systems.

III. AN ASSESSMENT OF EMERGING DEMOCRATIC INSTITUTIONS: THE STATE

This chapter provides a review and analysis of the principal state institutions of the Third Republic. The analysis begins with the new constitution and provisions, looking at the limits on the state's exercise of power. It then reviews each of the three branches of the state, the executive, legislature and judiciary, and their progress since the beginning of the Third Republic. There are a few comments on the early stages of decentralization.

Although a constitution provides the basic outline of the system of government of a democratic country, the actual operations and relationships of the parts of the system depend on many other factors. The details of operation, with an important cumulative effect, often depend on the operations of other, non-constitutional actors. For example, a parliamentary system with two disciplined political parties is likely to have a strong executive, while a parliamentary system with many or weak parties is likely to have a weak executive. Moreover, the bare text of a constitution will eventually be overlaid with layers of practice to produce the final operating rules of the system. The classic example is Britain, with its "unwritten" constitution. Finally, the courts help to shape the government system through their interpretations of the constitution.

The constitution of the Malagasy Third Republic is at an early stage in this process. Constitutional provisions are still being defined in practice, as are the exact functions and the limits to the powers of the institutions. There is still considerable uncertainty in the operation of the system's institutions since the actors have not yet used the various powers and functions given them by the constitution or explored the limits on those powers. Consequently, there is a considerable amount of freedom of manoeuvre for individuals operating in the system, since institutional constraints are still weak and uncertain. Implementation of the new system is not likely to be a short or uncontested process, and consolidation of democratic practices and principles is not to be taken for granted.

A. The Constitution and Its Provisions

1. Overview of the Third Republic Constitution

Although the constitution of the Third Republic is a good example of a generic modern body of fundamental law, it is also very much the product of a particular historical experience and reflects this in many of its provisions. There appears to be widespread consensus and agreement among the Malagasy people that the "rules of the game" as outlined in this constitution are those they are willing to play by. This underlying consensus is built largely on the shared agreement on the need to limit the Malagasy state's exercise of power, and the National Forum was fairly specific about how this was to be accomplished. Constitutional limits on the state's exercise of power are thus generally expressed through a set of inalienable freedoms accorded to citizens of the republic and enshrined in the constitution's preamble; the separation of powers among and between the principal state institutions; procedures for the contestation of and accession to

political power; and the principle of the rule of law as the arbiter of all disputes, and specifically the equality of all before and none above it. The constitution also mandates decentralization, an expression of popular feelings about the overcentralization of the state.

The constitution divides executive branch responsibilities between the president and the prime minister. The president's powers are less than those held by the presidents of previous republics but include means to intervene in the operations of the political system. The president is elected in a national two-round vote and the prime minister is elected by the National Assembly and responsible to it.

The legislature has two houses, the National Assembly and Senate (not yet in existence). The National Assembly is the more powerful house. The members of the National Assembly are elected by universal suffrage and a proportional representation system. Two-thirds of the Senate is to be elected by the yet-to-be-formed decentralized territorial units of the country. The remaining one-third will be chosen by the president from lists drawn up by economic and social organizations (civil society). The Senate must be consulted on economic and social matters and questions affecting the territorial organization of the country, but its powers are limited to giving opinions. Both houses can initiate legislation.

In addition to its powers of initiative, the legislature must deliberate and vote on government-initiated legislation. The legislature can amend government laws if the amendment does not have the effect of increasing expenditures or decreasing revenues (Article 88). The president can ask the legislature to reconsider a bill that it has passed, but if the bill is passed again by a simple majority, it becomes law.

The legislature, particularly the National Assembly, oversees the executive branch. It elects the prime minister and can dismiss him through a vote of censure. Both houses can question government ministers and set up special investigatory commissions. The National Assembly has also set up ten specialized commissions to examine laws and oversee government actions.

The constitution mandates an independent judiciary, but the necessary changes to the current system have not yet been made.

The constitution guarantees all the normal civil and human rights.

2. Specific Constitutional Provisions

(a) Constitutional Supremacy

Malagasy law recognizes the supremacy of the Constitution over all other judicial acts. Article 149 of the Constitution of September 18, 1992 expressly reinforces this principle. Article 106 specifies that the Constitutional Court must reconcile all treaties, laws, ordinances and regulatory rules with the Constitution. All judicial acts and executive decisions with a legislative intent are, therefore, subjected to constitutional control. The Constitution of the Third Republic takes constitutional review even further than most democracies: according to Article 110, before a law can be promulgated, it must be submitted to the Constitutional Court by the Executive for a check on its constitutionality.

Under the new Constitution Malagasy citizens have the right to contest the constitutionality of any law by bringing a court case. When such cases arise, the court must consult the Constitutional Court for a ruling.

(b) Amending the Constitution

An amendment to the Constitution can be initiated by the President of the Republic or by the National Assembly. (The Senate now has no right to initiate constitutional changes.) The National Assembly can initiate an amendment by a vote of one-third of the deputies. The President can initiate an amendment with the approval of the Council of Ministers.

Constitutional amendments can be adopted by the Parliament or by national referendum. Passage by the legislature requires a three-quarters majority of all members of both the National Assembly and the Senate, not just those present. No amendments have yet been brought; it is thought that such a majority will be difficult to obtain, especially in the National Assembly where proportional representation assures the fragmentation of political forces. Deputies have the right in principle to vote on amendments independently of the advice of their parties or coalitions.

A referendum on a constitutional amendment is called by the President of the Republic in a Council of Ministers meeting. The constitution requires a referendum for amendments to the preamble, the declaration of general principles (Title I), the enumeration of liberties, rights and duties of citizens (Title II), the section dealing with the structure of the State (Title III), and the section dealing with the principles governing territorial decentralization (Title VII). The President can choose to go to referendum for amendments to other parts of the constitution. The constitution does not define clearly enough the majority needed to pass an amendment; this will eventually have to be resolved by the Constitutional Court.

Despite some defects and contradictions in the present Constitution, there is no movement to replace or amend it. Only the CNEF (Conseil National des Etats Federalistes) continues to argue for a referendum between the current constitution and a federalist option. The Political

Department of Forces Vives, while conditioning its support for the Constitution on the clear demarcation of presidential powers, has no intention of seeking an amendment to confirm its point of view.

3. Popular Limits - Electoral Choice

The constitution and the new electoral code, guarantee, in principle, a fair playing field in the contestation for political power through regularly scheduled presidential and legislative elections. Thus, popular limits have been established which provide a minimum level of public accountability through the ability of citizens to vote out of office, on a regular basis, those representatives who have not performed in their or the public's interest. As judged by both the presidential and legislative elections of 1992/93, the system for electing citizen representatives has worked extremely well with a minimum of irregularities noted in either set of elections. It is obviously too early to comment on how the elections for the territorial collectivities and Senate will turn out, but it appears that the necessary provisions, both procedural and institutional, are in place.

a) Periodic Elections

Since the adoption of the Constitution of the Third Republic elections have been held regularly. Although both the Presidential and legislative elections were delayed, these delays were due principally to logistical and material problems. Madagascar always held elections regularly under the First and Second Republics; it can be argued that the periodic holding of elections has become a Malagasy political norm.

b) Fairness of Elections

In spite of some imperfections during the holding of the various votes which established the Third Republic (referendum, presidential election, legislative election) no political party or parapolitical movement in the country ever contended that massive electoral fraud had occurred. Electoral fairness is essentially guaranteed by the new Electoral Code (Law N92-041 of October 2, 1992, modified by Law N92-044 of October 23, 1992 and Law 93-033 of January 15, 1993. These laws specify the following controls:

1) A Voter Registration Process. Each year the list of electors is set as of April 15. The new administrative division of the country presents a problem: the Electoral Code is silent on which unit in the new decentralized structure takes responsibility for the electoral census. The Fokontany, the administrative unit that now conducts the census, disappears under the new decentralization plan.

All of the last three elections in Madagascar were marked by problems with the voter register: a substantial number of voters' names did not appear on the electoral list despite special revisions of the list before each vote. The problem is attributed to the large number of citizens who do not register until the eve of an election, ignoring the regular process of annual

registration.

2) Availability of Information. Electoral campaigns are governed by the Electoral Code and by special texts issued for each election. The new electoral code regulates the distribution of access to radio and national television. The management of air time is regulated by the National Electoral Council. During the campaigns of 1992 the principle of equal access appeared to be respected. For the first time in the history of elections in Madagascar listeners and television viewers heard and saw true pluralism on the air waves during an electoral campaign. This must be considered an important advance for popular democracy.

Nonetheless, the new electoral code has some important gaps. The law is silent on paid political advertising on TV and radio. Without regulation, political advertising was widely used and gave better heeled political movements an advantage. Some political movements during the last elections benefitted from the support of private radio stations, particularly in Antananarivo, but also in secondary centers such as Fianarantsoa and Toamasina. They also exist in a legal void with no legislation authorizing or controlling them. The National Electoral Council attempted to establish some principles of minimum equity for their operation during the campaign, but clearly some new legislation is needed to regulate private radio during an electoral campaign.

A new legal development is the provision of Article 35 of the Electoral Code that bars traditional authorities from being personally active in the campaign and from trying to influence the electors to vote in a particular manner. In many parts of Madagascar customary chiefs remain strong and their advice on voting is respected by many of their subjects; this new provision will be difficult to enforce and it seems unlikely that a subject will complain that his traditional authority advised him how to vote.

3) The Role of Election Observers. Now that the institutions of the Third Republic are in place, it is possible that foreign observers, while continuing to play an important role, will decrease in numbers. National observers have now gained experience and are prepared to play their part in controlling the fairness of the elections. The Charter for Civic Education and for the Observation of Elections, an annex to the Electoral Code, officially recognizes the importance of NGOs in observing elections and in civic education.

c) Handling Election Disputes

The results of elections can be contested. It is the responsibility of the High Constitutional Court to rule on all election results from referenda, to national and local level elections. The Constitution and the Electoral Code both affirm the Court's jurisdiction. Individuals and groups of voters brought cases during the recent elections but the Court ruled most of them inadmissible on procedural grounds, largely because the complainants were not familiar with the proper procedures and rules. If the Court is to function as a true arena for resolving electoral complaints citizens will need to become better informed about the appeals procedure and about the contents of the electoral law.

d) The Mode of Representation

The constitution specifies different voting methods for different levels of government. For Presidential elections majority vote in two rounds is used. The Chief of State should always win popular legitimacy because he or she must be elected by an absolute majority of the electors. Limited proportional representation (PR) is used for the legislative elections. The rule that at least one deputy per Fivondronana must be elected results in a mixture of PR and majority vote. Because of this rule, in the last election in certain voting districts some candidates who did relatively poorly were declared elected in the end.

Pure proportional representation is employed in territorial elections. Although this offers advantages in terms of democratic representation, it is as difficult for a party to form a majority in local Assemblies as in the National Assembly. Proportional representation so far has led to the emergence of new political formations and major turnover of politicians but has also made it difficult to form a stable governing majority.

e) Administration of Elections

The Ministry of Interior and of Decentralization is responsible for the organization of local and national elections, including all pre-electoral, electoral and post-electoral activities and, in particular, for delivering the results. The fact that elections are administered by an agency of the executive branch could pose questions about electoral fairness, particularly in a country which has had such a strong tradition of executive dominance.

Since the referendum of 1992, a new organization, the National Electoral Council (CNE), participates in the administration of elections. During the presidential and National Assembly elections it proved its worth, adding to the public's perception of the fairness of the electoral process. New methods will have to be found for choosing the members of the CNE, since they were initially named by the heads of the transitional institutions plus the heads of the Federation des Eglises Chretiennes a Madagascar (FFKM), the Lawyers Association (Ordre des Avocats), and the Journalists Society.

The High Constitutional Court (HCC) has a major role to play in the conduct of elections. In practice, during the recent elections, the HCC guided the Ministry of Interior and the CNE and helped them to avoid breakdowns in the electoral process. Close cooperation among these three institutions appears to be vital to holding well run elections. The HCC now faces a serious problem of lack of resources to oversee the new elections called for by the decentralization plan. According to the plan, a series of elections will take place simultaneously at three different levels.

f) Referendum, Petition, Popular Veto

Referendum is a form of popular sovereignty which is mandated in the Constitution only for the revision of the Constitution, as one of two methods for amending the Basic Law. Amendments

to certain parts of the Constitution can only be done through referendum. In the course of the debate on the decentralization plan the issue of local referenda was raised and must now be decided. The Constitution is silent on other forms of popular initiative and recourse such as petition and popular veto.

B. An Overview of State Institutions

1. The Structure of the Executive

One of the major areas left undefined by the constitution of the Third Republic is the division of powers and the relationships within the executive. The constitution creates a system with a President and Prime Minister. This is not an unusual arrangement. However, the question of the powers of the office of president is a crucial one. Will the Malagasy presidency become like those of many republics where the functions of the president are limited to "opening flower shows," as one of the commentators on the constitution put it? Or will Madagascar return to the president-dominated form of government that is all that it has known in the past? There are currently tendencies in both directions.

An argument has recently been made that the constitution, in fact, creates a strong presidency (See ROI, February, 1994). However, this was certainly not the intention of the drafters of the 1993 constitution. They intended to limit the powers of the presidency in order to prevent the emergence of a dominant president on the models of Tsiranana and Ratsiraka. At the time of drafting, a Ratsiraka victory in the forthcoming presidential elections was possible, and the drafters intended to make sure that, if he won, his powers would be severely limited.

a) The Presidency

The constitution gives the president certain powers, and certain bases of authority. Among the provisions that give the president authority without a specific grant of powers is the provision declaring him the "ray amandreny" of Madagascar, the only political actor to be given this authority by the constitution. The term "ray amandreny," full of connotations and emotional overtones for Malagasy, confers an extremely vague authority, but one that is capable of indefinite expansion. One of the respondents interviewed for this assessment mentioned his fear that the term could be used as the basis for the extension of presidential oversight into almost any area. In other words, the president could be a benign godfather, or the Godfather.

The president derives further authority from the fact that he is the only political actor in the system to be elected on a national vote. Members of the National Assembly are elected on local bases, and the Prime Minister is chosen by the National Assembly. This means that the president can claim to be the only actor to speak for the "entire nation." It also means, as the 1993 presidential election demonstrated when Zafy through his campaign became known throughout the country, that presidential candidates may well be the only politicians with this national recognition.

The president is given the power to negotiate international treaties subject, in some cases, to ratification by the National Assembly. This provision could serve as the basis of an extension of presidential activities, for example, in upcoming negotiations with the IMF/World Bank. While the President's powers over the military are limited to defense of Madagascar's sovereignty, there is a considerable degree of interpretation possible about where defense ends and "public security" begins; the latter is the responsibility of the Prime Minister and his government. The recent mobilization of the armed forces, including the gendarmerie and police, to combat smuggling and drug trafficking, which ostensibly undermine Madagascar's "nascent democracy," illustrates how defense of the nation has been interpreted by the president. This is a new role for the military in particular.

The president presides over the Conseil Supérieur de Defense, but the Prime Minister presides over what might develop into a competing Inter-ministerial Defense Committee. Control over the administration of the military, including such matters as promotion and assignment, is given to the Prime Minister and Government and can serve as a basis from which to control the military. The power to manipulate the organization and training of the military was an important basis of presidential dominance in the two previous republics. If current plans to redefine the role of the Malagasy armed forces are pursued as expected, there might well be competition over who controls this reorganization, since control will have important implications for the relative power of the two top members of the executive.

At the moment competition for control of the levers of military power has not developed. A reaction to the extreme politicization of the military under the Second Republic is a reemphasis on neutrality and professionalism, and recent appointments replacing Ratsiraka nominees in important military posts have generally gone to officers with reputations for abstaining from politics. An attempt to manipulate military matters to gain a base in the armed forces could well be politically counterproductive.

The other powers of the president are limited. He can deliver messages to parliament about issues of national concern but cannot compel action. The president can request the National Assembly to reconsider laws passed by it, but cannot refuse to enact them after such a review. The President's request for reconsideration of the recent passage of increased deputies' salaries and other benefits (deputies' 4x4 vehicles) by the National Assembly is a case in point. The rest of the executive, Prime Minister and Government, are responsible to the National Assembly rather than to the President. Day-to-day control of the government, and apparently, most major policy decisions, are vested in the Council of Ministers. Any acts taken by the president must be countersigned by a minister. The practical implications have not yet been tested, and it is possible to imagine circumstances in which limits might not operate. For example, if the President were the leader of a party which also had a majority in the National Assembly it might well be possible for him, de facto, to name and dismiss Prime Ministers and governments. A President might also use his authority as *ray amndreny* or his ability to claim a state of national necessity to undertake independent actions without ministerial sanction.

It is certainly the case that the current incumbent of the office, Albert Zafy, has attempted to

expand the powers of the presidency beyond the purely ceremonial. He attempted to use the apparent FVR majority in the National Assembly to direct its choice of legislative officers (resulting in an immediate counteraction, formation of the G-6 and loss of the FVR majority), and he has tested the limits of his powers of independent action in foreign negotiations, as in the case of his secret negotiations to obtain a \$2 billion foreign credit without consulting the Prime Minister or parliament.

Another uncertain area, the president's constitutional responsibility for overseeing the "bonne fonctionnement" of the government, has led the president to try to attach agencies of control of the state to his office. For example, there has been a recent attempt to attach the Inspection Generale d'Etat to the Office of the President. The president was ultimately unsuccessful in this particular instance but, should future events warrant (e.g., a major scandal in the misuse of public resources), presidential actions could be justified by his constitutional responsibilities.

There are several reasons for the success of some of the president's attempts to expand his powers. One is the prestige and national recognition that Zafy acquired as the architect of Ratsiraka's overthrow. Another is the seeming acquiescence of the Prime Minister, which will be discussed later. The Presidency monopolized governing resources under earlier constitutions, and reducing the powers of the presidency will require explicitly moving these resources. The rest of the executive and the legislature took office six months after the president came into office and began to establish himself. They also face problems in acquiring facilities and equipment.

Observers attribute the attempts to expand the role of the presidency to Zafy, but they also point to the ambitions of the presidential entourage. Members must, it is remarked, make envious comparisons between their own power and position and that of members of all previous presidential entourages. On the other hand, Zafy came to power at the head of a populist coalition and during the presidential campaign he promised change for the general population. He is under pressure to deliver on these promises, and it is not certain that he can do so within the limits of the constitution. He also faces the general difficulty of charismatic leaders of adjusting his leadership style to the new demands of presidential office in a democracy.

b) The Prime Minister and Government

In some sections the constitution clearly intends the Prime Minister and his Government to be the center of executive power. The Prime Minister himself is not named by the President but elected by the National Assembly and can only be removed by the Assembly's vote of censure or no-confidence. However, the government is nominated by the Prime Minister but named by the President, which gives the President at least a veto power over the composition of the government. The Prime Minister's powers are limited by the oversight of the National Assembly, to be discussed later, and the requirement that most of the Prime Minister's powers be exercised collectively with the Council of Ministers. It is this collective executive that is responsible for determining the general direction of government policy, that has the right to initiate legislation, and to promulgate ordinances, and that is the political head of the state

bureaucracy.

In modern parliamentary systems, the power of the Prime Minister also rests on non-constitutional factors, of which two are particularly important. The first is the ability to command a majority in the legislature. This begins with the Prime Minister's leadership of his own party, and in two-party systems with a disciplined majority party in the legislature it also ends there. In multi-party systems with coalition governments, the Prime Minister proceeds from command of his own party to the construction of a coalition. Here the power of the Prime Minister depends on a larger number of factors. How firm is his command of his own party? How many parties are there in the coalition, and how powerful are they in comparison with the Prime Minister's party? Finally, how reliable are the Prime Minister's party and the coalition partners? Depending on these factors, the power of the Prime Minister can vary, from a high that might be represented by Germany, where the Chancellor is the undisputed head of the executive, to a low that can be represented by Italy, where the life in office of the Prime Minister is generally nasty, brutish and short.

The other factor that enhances the power of the Prime Minister in modern parliamentary systems is the existence of a bureaucracy attached to the Prime Minister's Office (PMO) and devoted to providing support not just of the logistical variety, but also for policy formulation. Modern PMOs usually are quite large and contain experts in the areas of policy covered by government action. This support allows the Prime Minister to undertake policy initiatives, to develop a point of view independent of the other members of the government, and to oversee their activities and those of the state bureaucracy. In other words, while the Prime Ministership of a modern parliamentary system is represented by an individual person, it is, in fact, a large bureaucratic institution in its own right.

It is in these two areas, rather than in constitutional limits on his power, that the Prime Ministership of Francisque Ravony must be considered weak. He cannot claim to command a major party or a stable majority in the legislature. His own party, the CSDDM, has only two deputies, and is far overshadowed in numbers by most of its other coalition partners. Moreover, as was seen in the section on Malagasy parties, these parties themselves are not yet in a position to provide a firm basis for the exercise of executive power. They are small, and still dominated by personalities, which means that constructing a coalition is a complicated task. Alignments within and between parties have not yet stabilized, with the result that a majority coalition could easily disintegrate. This is particularly true of the coalition currently supporting Ravony, which depends for its majority status on the "Groupe des Independants," which is exactly what its name suggests.

The manner in which Ravony constructed the coalitions that elected him and which compose his government has reflected and furthered this fragmentation. In both cases, his negotiations were as much with individual deputies as with parties as such. When forming his government, he occasionally rejected the names suggested by the party leadership to choose his own candidates from the party. To some degree this demonstrates the continuing importance of the personalistic rather than party basis of Malagasy politics, and it could have strengthened Ravony's personal

authority vis-a-vis that of the leaders of the parties of his coalition. However, it also perpetuates the fragmentation that deprives him of a solid basis for his leadership. A further factor complicating government solidarity, another aspect of prime ministerial power, is the outcome of Ravony's consultations with the President on the selection of ministers: the inclusion in the government of ministers from the President's coalition.

The Prime Minister's Office is still being set up. The Secretariat, which takes care of logistical matters, and which was inherited from the Second Republic, is in place, as are four "special councilors" who will form the backbone of the policy formulation side of the office. However, not all of the "technical councilors" who will provide advice in particular subject areas have been named, and none have been installed, often for lack of office space and equipment. A functioning Prime Minister's Office will increase the ability of the Prime Minister to provide policy leadership as well as to monitor and oversee ministers responsible for the implementation of policies decisions.

It remains to be seen whether Ravony will be able to assert his constitutional authority over his ministers. This is always difficult in a coalition government where ministers have loyalties and bases of power outside the control of the Prime Minister. There are some signs that Ravony is attempting to assert this authority and has realized that poor performance on the part of individual ministers reflects on himself as head of the Government, but it is not clear whether he can actually remove a minister or undertake a "cabinet shuffle."

Some Malagasy doubt that Ravony has the will to exercise the power or the stomach to accept the responsibilities that go with his office. Several of the people interviewed for this assessment expressed discontent with his leadership to date. At the moment he is protected by a fear of political instability, and by the fact that the coalition that supports him is different from the coalition supporting the President. The one circumstance in which the President can name the Prime Minister is the case in which the National Assembly dismisses the current PM but cannot agree on a new one. The parties supporting Ravony have no desire to hand Zafy and his coalition this gift.

In terms of the internal functioning and effectiveness of the executive there are advantages, as well as disadvantages, to the tensions which exist between the presidency and the prime minister and his government. In a sense, the President's responsibility for the overall "bonne fonctionnement du gouvernement" serves as a real and potential check on public sector corruption and its lack of responsiveness to public concerns. Although the President was unsuccessful in his attempt to have the Inspection General de l'Etat attached to his office, the flexible interpretation of his responsibility concerning state performance, in and of itself, provides an unseen but effective set of checks on governmental actions.

The Prime Minister's weak power base in the National Assembly has not only translated into uncertainty concerning his support in this body, but over control of his cabinet as well. This situation has led to a degree of consultation between the PM and the President over policies and in decision making that might not normally be expected under a parliamentary form of

government; especially true in the Malagasy context where the political system in place was designed specifically to limit presidential powers. Seeking and gaining the President's support, and by extension that of the "Mouvance Presidential," has thus provided the PM with a means for countering the lack of legislative support from the political alliance which elected him. As such, executive branch unity could serve, and perhaps already has, as a tactic to avoid legislative gridlock, as well as provide a counterbalance to legislative excesses.

c) The State Bureaucracy

There is a danger that the Third Republic will continue the practices of its predecessors in treating the state bureaucracy as a political resource. One of the people interviewed for this assessment reported his impression that the UNDD Minister of the Interior had stocked the positions of president of the Delegations Speciales that now control local government in Madagascar with UNDD faithful. As will be argued later, it is probably not possible to run a political system without some degree of "patronage," but it is dangerous for a political system when this becomes the dominant concern.

As in the judiciary, the need for drastic reform of the state bureaucracy is generally acknowledged. A logical place to start is with agencies that audit state behavior. If a state is to control its agents and thereby impose accountability, it has to know what those agents are doing. This was severely neglected under the Second Republic; when civil servants hold jobs for political reasons, most are unlikely to be carrying out their jobs efficiently but the authorities are better off not knowing. A test of Malagasy commitment to democratic governance is the effort to run the bureaucracy transparently and to promote on merit.

The development of an auditing agency outside the executive is also desirable in developing state accountability. There is now no auditing facility attached to and responsible to the legislature. There is a Cour des Comptes, currently attached to the Cour Supreme following normal French practice, but its operations have been severely restricted. The only financial oversight agency within the executive is the Inspection Generale de l'Etat. Marginalized under the Second Republic, it is little more than an institutional shell. To what degree it will be empowered to serve the Prime Minister and government has not yet been spelled out clearly. Its existence offers a starting point to develop an internal state capacity for self-policing.

There are other obstacles to the assertion of government control over its bureaucracy. The Third Republic removed most of the top bureaucrats of the Second Republic and replaced them with new people. This was desirable and necessary but means that there is a lack of experience at the levels that are meant to direct and monitor the implementation of government policy. Also, given the political turmoil of the last three years, little policy making and implementation took place, and it is possible that state institutions may have to relearn the process.

2. The Legislature

a) The National Assembly

(i) Selection of Leadership

Article 70 of the Constitution specifies that "the President of the National Assembly and the members of its governing Bureau are elected for the duration of that term of legislature during its first session." The Constitution fails to specify the voting method to be employed, but majority vote by secret ballot appears to have been used to constitute the Bureau of the National Assembly. This same voting method was employed to choose the members of the various Commissions of the National Assembly.

(ii) The Organization of the National Assembly

The National Assembly is made up of two organs: the Bureau and the Commissions. The Bureau is comprised of eight members: the President, five vice-Presidents, and two "questeurs." Apparently, the original reason for five Vice-Presidents was to assure that each of the six Faritany (Departments) was represented at the presidential or vice-presidential level; since the country has now been divided into 22 administrative regions this arrangement no longer produces a regional balance. The Constitution specifies that the members of the Bureau represent the entire legislature, not regions. Currently, five members of the Bureau belong to the Forces Vives coalition and three to G-6.

There are ten legislative commissions:

- finance
- national defense and security
- foreign affairs and international relations
- rural development
- infrastructure and communications
- social affairs
- education and culture
- law, rules and the constitution
- internal affairs and decentralization
- industry, mines, energy, commerce and tourism.

Currently, seven presidents of the commissions are members of the G-6; Force Vives deputies hold six of the commission chairmanships and six of the deputy chairmanships.

(iii) Power to Initiate and Amend Legislation

The power to propose legislation is given to the Prime Minister and to all members of the parliament (National Assembly and Senate). Parliamentarians are restricted to proposing laws

within the domains enumerated in Article 82 of the Constitution. While these are broad, they are neither exhaustive nor is power reserved to the legislature. The government can object that a law or amendment proposed by a parliamentarian is inadmissible if it is not in a domain specifically named in article 82. If a disagreement arises over admissibility, either the National Assembly or the Senate may ask the Constitutional Court to rule within eight days. Parliamentarians have limited power of the purse: they can not propose laws that would decrease the revenues of the State or increase public expenses. This could lead to the paralysis of legislative initiative, since in a modern state there are few laws which do not have some budgetary implications.

The Constitution specifies that new proposed legislation and amendments proposed by parliamentarians "are to be brought to the attention of the government." The government must respond with its "observations" within thirty days. Legislation can not be considered by either house of parliament during this period without these "observations." But the government cannot block a parliamentary initiative by refusing to comment: after thirty days the parliament can proceed with the legislative process. This represents an advance in parliamentary power compared to the previous two regimes. The government still has an indirect method for limiting parliamentary initiatives since Article 85 of the Constitution establishes that government business takes priority in the content and order of the parliamentary agenda. By exercising this prerogative tactically, the government could restrict or even block the consideration of a law proposed by parliament.

During its first term, the National Assembly devoted most of its attention to the budget. Deputies exercised their right of amendment: they used it to authorize the purchase of 138 automobiles for the deputies' use, and for a line of credit to finance regional projects, despite the fact that they appear to have violated the provisions of Article 88 which require expenditure adding amendments to be offset by new sources of revenue. Given its shaky majority, the government accepted most of the deputies' amendments rather than risk a vote of no-confidence or a motion of censure.

In the National Assembly the gap between constitutional powers and effective power is striking. This is partly the result of the current lack of resources. In the course of interviews with several Presidents of Commissions, it was pointed out that none of the current ten commissions had any offices, meeting rooms, secretarial support staff or budget of their own to provide for such things. Most deputies are equally without facilities. The library at Tsimbazaza is small and, as one deputy pointed out, does not even get subscriptions to Malagasy journals.

Given the technical and specialized nature of modern government activity even in a small Third World country, it is impossible for members of the legislature to question and criticize the executive, let alone undertake legislative initiatives of their own, without independent facilities for research and analysis. There are few in Madagascar. Interviews with representatives from CERES, a local think-tank created by former ministers from the right wing of AREMA, indicated that they sometimes provided this kind of support for some deputies. The Political Department of the Forces Vives maintains that it provides policy advice to National Assembly

deputies, and has on occasion, tried to bring unanimity to FVR positions through the development of policy papers. This kind of outside support would be a useful supplement to parliamentary facilities and would further pluralism of opinion in the legislature, but can hardly substitute for them.

The clean sweep of old political elites in the legislative elections of 1993 meant the election of a group of deputies almost totally without previous legislative experience (the assessment team was provided with estimates of the number of hold-overs from the Second Republic's legislature that ranged from 2 to 5). The election also widened the basis of representation in the National Assembly. Previous legislatures were dominated by public servants, particularly teachers. Deputies in the current National Assembly come from a wider variety of backgrounds, although the largest single group is probably composed of state functionaries.

However desirable this political renewal and broadening of the National Assembly's representative base may be, the result is a body of legislators with little experience of legislative or government operations. Some of the parties in the legislature did hold orientation sessions for their deputies, but the National Assembly staff did not. Nor does the National Assembly provide a "Handbook for Deputies" that explains what the powers of the Assembly are, how and what procedures are required to submit draft legislation (*projet de loi*), what support is available in such an effort, etc.

Another barrier to the exercise of legislative powers lies in the actions of the executive and the legislative timetable. At the time this report was being written, the executive was proposing laws on decentralization. Decentralization represents a major reorganization of the Malagasy political system, and the laws will necessarily be complex. The date of the special session to consider the laws was not announced until less than a week before the session was to meet, and the "*projets de loi*" themselves had not been circulated. (The fact that they had not been made public is normal in a parliamentary system, where proposed legislation must be presented to the legislature before it is made public). The Assembly began meeting on March 7 with a constitutional deadline of March 17 for the passage of the laws. This is hardly a length of time that allows for careful consideration of the laws themselves, let alone for legislative initiative in proposing changes to the laws. Most of the "extraordinary session" was taken up with the first of the texts relating to the "*decoupage territoriale*," requiring an extension of the deadline.

In order to play the counterbalancing role the constitution gives the deputies, they must command respect. When the team arrived in Madagascar, the media were full of discussions of two legislative initiatives: the voting of an increase in deputies' salaries and the allocation to each deputy of a 4x4 vehicle. The deputies we spoke to were very eloquent about the necessity for these measures, but if the National Assembly is to shed its image as a resource for the distribution of patronage and gain a reputation as a body for deliberation and representation, control of government, and policy making, the deputies will have to demonstrate that they are capable of more than this.

(iv) Relationships between the Executive & the National Assembly

The historical domination of the executive branch over the National Assembly is certainly a factor in the current dynamics between the two branches, but not one that seems overly contentious. In terms of current institutional capacity, as opposed to constitutional mandates, the executive branch has a decided edge in several areas; particularly in the area of legislative formulation. Not only do the National Assembly secretariat, the several policy-related commissions, political party formations, and individual deputies lack access to technical expertise to initiate legislation, but the National Assembly lacks basic physical infrastructure, including a research and documentation capacity. The Prime Minister's Office, on the other hand, can count on the expertise resident in the permanent bureaucracy and a small core team of policy advisors.

The National Assembly now has the power to review government initiated legislation and to question government on its policies and performance. Whatever one thinks of the particular results of the extraordinary session of the Assembly held in March 1994, there can be little argument that the National Assembly exercised its prerogatives of review and deliberation, and utilized what few resources were available to it in the debate over the decentralization laws. In addition, the domains of both foreign affairs and defense are no longer the sole preserve of the executive, as witnessed by the two newly added National Assembly commissions that now cover these areas. These are significant departures from the previous era, and ones that can be built upon in the future.

While the National Assembly has no investigative agency to monitor government financial accountability, it does approve the annual budget, can initiate special investigative commissions, can call any member of government before it to testify, and has an "a posteriori" capability to assess government expenditures when reviewing the budget for the following year. While imperfect, this does provide a sufficient level of oversight to keep executive branch operations transparent, and to ensure a degree of accountability and responsiveness, if not performance, that was noticeably absent in any of the preceding regimes.

A system of checks and balances, as provided for in any constitution, is designed to work in both directions, operating under the assumption that any branch of government, regardless of past history and previous patterns of abuse, must be held accountable by at least one other branch of government. In the case of the National Assembly, the constitution's separation of powers provisions provides the President of the Republic with the right to send enacted legislation back for additional consideration by the Assembly. While this does not in itself act as a veto on legislative initiatives, it does provide an additional mechanism to raise a particular issue to the level of public awareness which lends an added dimension to the calculations that each deputy must make in his final decision. This dynamic has been recently witnessed in deliberations that led to the slight, although not insignificant reduction in deputy salaries.

3. The Judiciary

Madagascar has not had a functioning independent judiciary before. The use of the judiciary as part of the system of political control became well entrenched in the colonial period and was continued during the First Republic; the Second Republic was actively hostile to the principle of an independent judiciary. Because of the commitment of the regime to a socialist economy, civil law dealing with, for example, contract disputes remained underdeveloped. Not only did the development of the "informal economy" remove large areas of economic activity from the realm of civil law and the courts, corruption in many of the state enterprises led by important figures of the regime, who were de facto not subject to judicial control, further limited the ability of the courts to underpin normal economic activity. In addition, like other state employees, judges lost much of the purchasing power of their salaries over the period of the Second Republic. At a minimum, to compensate, they hired themselves out as "legal consultants," a clear conflict of interest; at a maximum they were open to offers of bribes.

The result has been the near-collapse of the judicial system and, at the local level, the reintroduction of the "Dina" system of traditional justice, considered by some to be a form of vigilantism but by others to be an acknowledgement that the formal system of law and order is no longer capable of serving local interest. Clearly a major task of the Third Republic is the restoration of a normally functioning judicial system and the creation of an independent judiciary.

The 1992 Constitution recognizes the judiciary as a power and institution. Article 98 specifies that the judiciary is independent of both executive and legislative power. The preamble situates the judiciary in a broader political context, declaring its intention to "install a State under Rule of Law (Etat de Droit) in which the people and the public powers are subject to the same juridical norms under the control of an independent justice system."

According to the 1992 Constitution, "judicial power" consists of rendering justice in conformity with the Constitution and the law. This is a classical conception of judicial power following Montesquieu's notion of separation of power in the "Spirit of the Law." Judicial power in Madagascar is not general or impersonal, like executive and legislative power. It is the power to pronounce on the applicability of law and to render judgments on differences in interpretation of law in cases submitted to judges. Fundamental to the current conception of justice is the notion of a truly independent judiciary in a State governed by the Rule of Law, as an essential ingredient in a real democracy.

The issue of the independence of the judiciary held a significant place in the debates on the constitution of the Third Republic. The consensus formulation emerged from the International Colloquium held at Foulpoint (February 25 to March 3, 1993). It stated, "The Montesquieuan separation of powers can not be understood to mean the division of the powers of the State, but rather a division of its functions." This notion is not intended to imply that no linkages exist among the three powers of government. On the contrary, everyone accepted that these are complementary activities of public organs, even if they exercise independent competencies in the

domain of their activities. The independence of the judiciary should not be taken to imply an inherent conflict with the legislative and executive branches of government. The unity of the State depends on the cooperation among the powers of these independent branches in the search of the common good.

Recognizing the desirability of judicial independence in this context, the legal authorities specified that judicial independence should not be viewed as a privilege which judges enjoy, but rather as an essential condition for the proper administration of justice. The Constitution, therefore, had to back this right with serious guarantees. In addition to the general assurance of institutional independence specified in Article 98, the constitution gave judges some functional assurances of independence by stating that seating judges could not be removed, except by judgment of the Superior Council of the Judiciary (Conseil superieur de la Magistrature). It created the Constitutional Administrative and Financial Court (CCAF) as guarantor of judicial independence. This is a radical break with the past where the President of the Republic was supposed to be the guarantor of this independence. Under the new system as well, the Chief Justice of the Supreme Court and the head of the CCAF are elected by appropriate bodies of magistrates, while in under the previous regime the Chief Justice was appointed by the President of the Republic. The current experience with the President of the High Constitutional Court, who is elected by the members of that body, demonstrates what an advance this method of selection represents for judicial independence.

In addition, the 1992 Constitution specifies that the President of the CCAF as well as all members of the High Court are to serve a single, non-renewable six year term, which should in principle reduce their vulnerability to political pressures. The budget for the judiciary, however, is part of the budget bill which is developed by the Ministry of Finance and passed by parliament. Here the legislature and the executive can exert some influence through budgetary limitations on the capacity of the court system to function.

The establishment of true judicial power in Madagascar has produced a number of concerns and worries both at the level of political actors and the broader population. The most basic is that the judicial branch will abuse its power. In the thirty-four years since independence there has been ample experience with abuses of this type, which have most often gone unpunished.

The Constitution of the Third Republic foresees the creation of two instruments to guard against this threat. The first is the National Council for Justice (CNJ), a body composed of representatives from all three branches of government and of court officials and lawyers. This body can recommend laws and rules relative to the regulation of administration of courts and the regulation of court officials. The second is the General Inspectorate for Justice (ISG), also composed of representatives from all three branches charged with developing a professional code of ethics not only for judges, but for all personnel in the justice system. The particular target of this code is the prevalence of judicial corruption. A number of issues remain to be clarified about the relationship between the ISG and the Supreme Court to which it is administratively attached.

The establishment of judicial power has not even begun in Madagascar. Five draft laws have been prepared (on the Supreme Court; on the Constitutional Court, Financial and Administrative Court, on the Inspectorate General; on the National Council for Justice; and on the High Court of Justice). But these laws have yet to be enacted. Together these law will have the effect of completely eliminating the Ministry of Justice, and ending all formal control of the judicial system by the executive branch. They would also provide for a separate budget for the judiciary. Instead, the Ministry of Justice continues to manage the entire judicial system, naming judges, managing their careers. The legislature still has the power to name judges to the Supreme Court of Appeals (Cours de Cassation). Until these practices change, judicial independence is very much in question.

There are two other major concerns which weigh on the functioning of the justice system: human resources issues, and physical infrastructure problems.

Good judicial administration depends on the quality of judges. The corps of judges freely admits that there are serious gaps in the training of this body. Currently judges and prosecutors are recruited by competitive examination from among those who complete their Masters in Law or their Diploma in Judicial studies. Since 1991 judges have been seeking the creation of a specialized school for judicial training where new personnel can be recruited and where existing judges and law clerks can be retrained. In addition there is a clear need for short-cycle training programs and seminars. There is a perceived need for training outside the francophone legal tradition, particularly in the U.S.

Material resource problems abound. In the short term the new Constitutional Court (CCFA) and Supreme Court need new buildings. The new decentralization plan calls for creating and equipping administrative and financial tribunals in each regional headquarters. But buildings alone are insufficient, as the case of the Appellate Court of Mahajanga demonstrates. Although that court has a building it is unable to function because of staff shortages and the total lack of equipment.

Documentation of changes to the law constitutes another serious problem. Since 1977/78, the Ministry of Justice has failed to publish a compendium of legal texts, a regular informational bulletin, and a compendium of judgments. The problem is particularly critical for judges in provincial courts and tribunals, where judges are rendering decisions on the basis of very outdated legal documents or in the absence of any law books at all. In addition, clerical records are presently processed slowly and inefficiently by hand; the problems will worsen geometrically as the number of courts increases.

Since independence, access has been improved by the creation of courts in all six regions of the country. Now administrative and financial tribunals are scheduled for the 22 newly created regions under the decentralization plan. This process, however, will be slowed by the lack of human and material resources.

In principle, access to the courts is freely available to all citizens. In practice, this access is limited by a number of practical difficulties. The procedures both in civil and criminal law remain too complex for most people, drawn as they are on French law of the 1960s. Even the judges argue that a simplification is vital to speed up the justice process. Such a simplification was begun in 1991 under the transitional government.

Currently most Malagasy citizens lack information about the judicial system or hold a quite negative view of it. Citizen education must become part of the process of implementing the new judicial system.

(i) Relationships between the Executive and the Judiciary

In the broad legal framework laid out in the constitution, the judicial branch finally has gained its independence, not only from the executive branch, but from the legislature as well. Whether this actually translates into practice depends to a significant extent, however, on the underlying good faith of these two branches to enact legislation which is consistent with the intent of constitutional provisions for judicial independence. In the final analysis, the current judicial system still operates, for the most part, under the laws of the Second Republic, but with some degree of oversight from the High Constitutional Court, itself one of the last remnants of the transition period. New legislation has yet to be submitted, although it has been drafted by the magistrates themselves, and will be submitted by the High Constitutional Court to the government for presentation to the National Assembly during its next full session in the spring of 1994.

There are, however, two issues related to the judiciary's future independence that do raise potential problems and appear to be unresolved at the level of constitutional law. First, no provisions have been made for an autonomous budget for the judicial branch. Given the magnitude of the reforms which are proposed in the new legislation, both the executive, which is responsible for submitting the judiciary's budget, and the Assembly which is responsible for passing it, could simply fail to provide adequate funding to allow the reforms to be fully executed. Secondly, the existence of the Ministry of Justice in the new government could be clearly interpreted as being inconsistent with the constitution's intent for judicial independence. It was after all, this Ministry, under orders from the presidents of the previous Republics, that controlled the careers of magistrates, including appointments and promotions, and used these levers to ensure a compliant judiciary.

Assuming, however, that the new reform legislation is passed in some semblance of its present draft form, then there is, at least in principle, the likelihood of an independent judiciary emerging which is capable of serving for the first time in the country's history as a true check on the powers of the executive, and to the extent necessary, vis-a-vis the legislature as well. The new judicial system would put a brake on the ability of the executive to rule by decree or through ordinances, as well as the National Assembly to pass laws which were unconstitutional. This would be attained through the Administrative Chamber (currently Conseil d'Etat) of the Constitutional Court's review of all legal instruments (a posteriori in the case of the executive

branch and prior to enactment by the legislative branch) to ensure consistency with fundamental law. At the same time, anyone, at anytime has the right to challenge the constitutionality of a law enacted by the National Assembly, or issued by decree from the executive. Although this has yet to be tested, it is a powerful weapon, and one that a member of civil society could wield effectively against any executive branch agency.

The judiciary, through the Financial Chamber (currently Cours des Comptes) of the proposed Constitutional Court, will become the only state agency outside the executive branch that has the power to monitor government expenditures on an ongoing basis, and thus, undertake independent auditing functions. The new legislation also calls for the judicial branch itself to assume responsibility for the administration of the careers of the magistrature, and therefore takes this function away from the Ministry of Justice, and the possible interference that it implies.

In order to ensure control over the judiciary, two new entities are to be established, i.e., the Conseil Nationale de la Justice and the Inspection General de la Justice, each with a tripartite membership made up of the three state institutions. The Conseil is a consultative body which will monitor the general functioning of the judicial system and make recommendations for changes to improve overall performance. The latter body serves in an oversight capacity ensuring systematic control over the actions of individual judges and magistrates, specifically in guarding against corruption.

4. Decentralization

Although the constitution of the Third Republic creates a unitary state, it also provides for the revision of the territorial organization in order to create "effective decentralization." In March 1994 the National Assembly was deliberating the legislation required to implement this new policy.

Like economic liberalization, decentralization is supported, at least nominally, by most Malagasy political actors. The drive to decentralize reflects the belief that the centralized state has been one of the main barriers to both democracy and economic development. The demand for decentralization was expressed by the National Forum on the constitution even as it rejected a federal form of government and chose a "unitary" state.

The guidelines for decentralization, however, represent a compromise between demands for maximum devolution and the desire of some actors to maintain a strong role for the central state. It can be expected that the struggle over the degree of real decentralization to take place will continue throughout the implementation of this policy. From discussions undertaken with a number of key leaders in both the National Assembly and executive branch, implementation is expected to take years to complete, given the magnitude of changes in territorial reorganization, redivision and allocation of responsibilities, and new skills which must be learned by a whole new range of elected leaders and public servants.

The process leading to the elaboration of the new decentralization legislation began with the establishment of two groups. The first was an interministerial committee of roughly thirty civil servants, which appears to have done the real work of drafting the texts and addressing most of the contentious issues. The second was a commission on decentralization composed of the Prime Minister and the Council of Ministers, and their advisors, both Malagasy and foreign. This commission created seven subcommittees, including those on Structures, Division of Powers, Finance, Training and Local Democracy. Not all these committees met, but some did travel to outlying areas to hold meetings to solicit input from social and economic groups. The result was a series of texts debated by the National Assembly.

5. Synthesis and Conclusions

(a) The Capacity of State Institutions

This assessment of the state's capacity for democratic governance has been portrayed in terms of the limits of state power. The problem with assessing the degree to which such limits have been institutionalized is that the construction of the state, as defined in the Third Republic's constitution, has not been completed. Three major institutions have yet to be established in their mandated form: the Judiciary, Parliament's second chamber, and the entire system of decentralized local government, including the establishment of three new levels of local assembly, a corresponding number of local government institutions, and the deconcentration of central government Ministries. The passage of necessary legislation to translate the intent of the constitution into a new and independent judiciary is at best three to four months away. Elections for the collectivity assemblies and the executives of newly established local governments are scheduled to take place around July of this year; those for the Senate will follow. At the time of this writing, full enactment of the several texts of the decentralization laws is not yet complete, but should be by the end of March 1994. The enactment of the several legislative initiatives is only the first stage in a longer process that will include the drafting and passage of the enabling laws, ordinances and decrees which will permit the implementation of the "organic" legislation to take place.

This is a massive effort at state institution building, both at the central and local levels. In addition to the holding of elections -- at regional, departmental and communal levels -- training on a scale of unprecedented proportions will be required for both newly elected representatives and newly appointed public servants. In terms of physical infrastructure, new buildings will have to be constructed and others rented, while everything from typewriters to paper-clips will have to be secured to permit these new bodies and the individuals that run them to function at a minimum level of effectiveness. These new efforts at institutional development come on the heels of a new Executive and National Assembly line-up, including a complete change of personnel in many areas, who themselves have very little, if any, previous experience in the area of governance ... let alone good governance.

While no one expects this mammoth undertaking to be completed quickly, the next two to three years will be crucial in terms of getting the broad structural framework in place and building

some credibility for the new system.

What can donors do? Given the level of magnitude, it is unlikely that any combination of donors can make a meaningful impact, in even the domain of training needs, let alone the infrastructural requirements. In the concluding chapter of this assessment we discuss a number of options to address the more realistic and manageable needs of this capacity building exercise. As discussed in more detail immediately below, the emphasis will be on identifying those processes which contribute to improved governance within a select number of targeted state agencies.

(b) The Political Will to Govern Well

In terms of the political will for improved governance, the results to date have been mixed at best. The problem is primarily in the ability of elected officials to put national interest before individual self-interest. Politics, rather than providing a forum for achieving compromise over the allocation, utilization and management of public resources, has had a tendency to reinforce, in both individual leaders and their political parties, the same social and economic cleavages that exist in Malagasy society as a whole. Fragmentation into these smaller, parochial interests is not unusual in any newly established political system, especially where the art and habit of associating for common good has been limited by tradition, and the machinations of previous political regimes which viewed such values as a threat to their power.

It is far too early to render a final judgement on the seriousness of Madagascar's political leaders for further political reform and the demonstration of non-partisan leadership so necessary for effective national governance. There is a natural tendency for observers of political life to view the unfolding of events from a perspective which is bound by the short-term perspective and the observers' high expectations for change. Considering the distance which the Malagasy have had to travel to reach the present stage of democratic development, it would be unfair to focus on the many failings, and thus discount the many positive accomplishments that have been achieved along the way.

If we have learned anything from thirty-plus years of supporting third world economic development, it is that old patterns of behavior change slowly. It is often unproductive to push the pace of reform. The sorting out of Malagasy political life is both a precondition to, as well as an indicator of, the country's evolution towards a system of democratic governance. It is also something that only the Malagasy themselves can do.

The best strategy for supporting the capacity for good governance is one of advice and counsel through our ongoing dialogue with government on a range of policy issues, and helping them to establish a clear set of priorities. Secondly, donors can identify those political actors and public institutions which have demonstrated a commitment to good governance through their behavior, and then design modest and targeted interventions to reinforce them. In the current context, no specific state institution has a clear priority. The focus, however, should not be an institutional one, but rather on strengthening those processes, wherever they take place, that

increase public sector accountability, transparency, adherence to the rule of law and shared participation in decision making. Specific interventions are discussed in the last chapter of this assessment.

IV. EMERGING DEMOCRATIC INSTITUTIONS: CIVIL SOCIETY

Strong civil society is vital to making democracy work; in Madagascar previous regimes stifled the development of broad associations whose interests and activities might threaten the state. Traditional Malagasy society is based on small ascriptive groups that find it difficult to join together for political purposes. Civil society in Madagascar does have some strength: the Third Republic came into existence as the result of the concerted effort of many groups. Now that a democratic system is being implemented, the new rules should make it easier for civil society to flourish. This section assesses the new environment for associations and examines the existing groups and associations.

A. The Enabling Environment for Civil Society Development

The preamble to the new constitution lays out a basic set of liberties to which all Malagasy citizens are entitled. It serves as a "Bill of Rights," providing for freedoms of assembly, expression, association, religion, and the press, as well as due justice under the law, an electoral code, the right to strike, etc. The constitution thus provides the essential elements under which people can associate freely, and seek to influence state decision-making, either through elections and contestation for political power or as organized interests groups lobbying for particular policies.

There is, however, at least one existing law that is not consistent with the new constitution's guaranty of freedom of association: the Law of Associations (Ordonnance 60-133) passed in 1960. This law is little different than those found elsewhere in Francophone Africa, where it was used initially by colonial regimes and later by newly independent African governments to control the types of independent organizations that were permitted to operate. With a registration process that provides the Ministry of Interior with the power to withhold legal status, 60-133 has, in the past, been wielded with a high degree of precision to structure and to limit Malagasy associational life.

There are other reasons to rework this law. By prohibiting the receipt of funding from external sources, making no distinction between organizational types, and confusing the principle of "non-profit," 60-133 inhibits the growth of a variety of voluntary associations. The importance of this issue is evidenced by the fact that numerous NGOs, the Government and several donors, including USAID/Madagascar, are currently engaged in revisions to this law or drafting a new one.

At the initiative of the Conseil Malagache des ONG pour le Developpement and l'Environment (COMODE), a number of local environmental and development voluntary organizations have

drafted a new law specifically covering a subgrouping of associations: NGOs. The purposes of this draft law are: (i) to distinguish between environmental and developmental NGOs and local level primary associations, (ii) to allow such NGOs to receive financing from external sources, to exercise rights and benefits commensurate with their voluntary status (e.g., receive exemptions on duties and other taxes), and to engage in profit-making activities provided the profits are put back into the good works of the organization; (iii) to establish a national-level organization to serve as a representative of NGOs vis-a-vis the government, promoting and defending NGO interests and coordinating NGO activities by serving as a forum for the discussion of issues of mutual concern and, less clearly, by establishing and safeguarding an NGO "ethic" through the review of individual applications for NGO legal registration. (The resemblance of this new structure (Comite Nationale des ONGDE/CNO) to such groups as the Ordres des Journalistes and Avocats, themselves created through legislation, that obligate individuals or groups to become Ordre members in order to practice their trade makes it hard to understand why a need is felt for an NGO organization that could restrict autonomous group formation. The fact that NGO communities from Bangladesh to Burkina Faso have resisted the temptation to set up state-sanctioned "apex" organizations should serve as a reminder that hegemony, even among institutions of civil society, is no substitute for voluntary association in the pursuit of group interests.)

The second area where existing Malagasy law does not adequately cover the legal status or operations of voluntary associations is at the local or grassroots level of self-governing organizations. This matter becomes particularly important with decentralization. The proposed law will create a new decentralized administration; this administration remains within the formal system of state governance, i.e., from region to commune levels, and does not cover the legal aspects of non-state institutions involved in governance below the communal level. The abolition of the "fokontany," under the new decentralization laws has essentially done away with the lowest level of formal decentralized self-governance, that of the village or community. The issue is how to legitimize and increase the self-governing capabilities of informal groups and associations engaged in a variety of public governance functions, from the management of traditional grazing lands to the provision of family planning services at the community level. Laws are needed to define what requirements, if any, are necessary for groups operating at the sub-communal level that manage public resources and services.

An example of spontaneous popular response to the state's disengagement from large areas of public governance is the return of the traditional system of "dine," a form of social contract between members of a group or community concerning governance in various aspects of public life. A great deal of thought has been given to the decentralization of state organs downwards so that they are more accessible and open to local influence and oversight. Little thought, however, has been given to how to organize the people upwards so that they can both influence state governance institutions, as well as engage in local self-governance without unnecessary interference by or recourse to state institutions. In short, while the enabling environment for the growth of civil society in the formal realm has been well served by constitutional guarantees, further attention needs to be given to the legal framework required to promote democratic governance in the less formal sphere of associational life at the local level.

B. The Composition of Modern Malagasy Civil Society

When the process of political liberalization began in the late 1980s associational life related to economic and political concerns took off. In addition to dozens of newly formed political parties, the period has seen a tremendous growth of independent media outlets (radio stations as well as newspapers), trade unions, NGOs, and professional associations plus an explosion of local grassroots organizations, informal markets, and private enterprise. This is not a surprising social phenomenon given the pent-up demands of the Malagasy people for a range of previously denied democratic freedoms; nor is it atypical of the patterns which have swept other parts of the world during the same period. However, the development and composition of Malagasy civil society is unique and very much a function of its own previous history, traditions and values, as well as incorporating a number of economic and political forces from the larger world that the country is once again embracing.

In the following sub-sections we will undertake a brief description of some major civil society institutions. In particular, we will focus on the degree to which they are able to carry out the political functions of civic action, either by holding the state accountable for its performance or by increasing the capacity of local level primary associations to undertake self-governance.

1. The Church

Christianity was introduced into Madagascar in the early decades of the nineteenth century by Protestant and, later, Catholic missionaries, who slightly preceded the arrival of British and French military and commercial interests. The four principal churches are the Roman Catholic Church and the Anglican, Lutheran (Norwegian and American), and Reformed Protestant churches. Approximately half to 60% of the Malagasy are Christian, with Catholics by far the largest single group.

What distinguishes the churches in Madagascar from all other social and economic institutions in civil society are their outreach and linkages to the lowest levels and farthest corners of Malagasy society. As a system of social organization capable of mobilizing people for religious and secular purposes alike, there is no rival, including state institutions. The primary difference between the churches and other "grassroots membership organizations" is that their structure of association is one that was first imposed from the top and later organized from the bottom. In addition to their strictly pastoral functions, the churches operate a significant percentage of the health and educational systems, which are considered to be better than those of the state, particularly since the onset of Madagascar's economic crisis in the early 1989s.

As discussed earlier, the churches resisted state interference in their internal affairs. The federation of churches has played a major role in all modern political crises and was instrumental in mediating between political forces during the formation of both the Second and Third Republics. Through the Christian Council of Madagascar (FFKM) formed in 1979, the four churches aided in negotiating the Panorama Accord (October 1991). FFKM was a major player in the Transition Period through its facilitation and formation of the institutions to manage the

transition; its hosting the National Forum in which the Constitution of the Third Republic was drafted, and finally, throughout the series of referendum and elections.

Two points are worth noting. The Christian Council includes the Catholic church, a demonstration of ecumenism that is rare in the African context; this has provided the Malagasy churches with the level of unity necessary to undertake the tasks of mediation and conciliation which led to a relatively peaceful democratic transition.

The second point is the disengagement of the FFKM and its member churches from political life in the Third Republic. Its disengagement from the political sphere, in spite of repeated calls for a more activist role, coupled with its demonstrated unity and ecumenism, is the principal source of the churches' moral authority today. The churches have the ability, should circumstances warrant, to take up their traditional role as mediator of political conflict.

2. The NGO Community

The evolution of the Malagasy NGO community parallels that in many countries that have suffered under authoritarian, one-party rule. A number of NGOs were created and used by successive Malagasy governments to control popular participation and channel local aspirations in ways that did not directly challenge government authority. Prime examples are state and/or party-created mass organizations such as women's and youth wings attached to the ruling party, AREMA, during the Second Republic. This same corporatist pattern of structuring civil society was recreated in the labor union movement, business associations and the press. At the grassroots level, the state worked through its various ministries, primarily that of the Interior, but also agriculture, youth and culture, etc., to structure peasant participation in national development. The sad state of the cooperative movement in Madagascar today is but one example of the impact of the state's interference in associational life.

According to the Ministry of Population there are currently some 400 "developmental" NGOs registered under the Associations Act, while other estimates put the overall number of associations (as distinct from NGOs) at between 2,000 and 3,000. Whatever the exact figure, it is among this group of civil society actors that the greatest expansion has taken place since the first signs of political liberalization at the end of the 1980s. Before then, the only independent NGOs were the development arms of several church denominations (e.g., CARITAS under the Episcopal Conference, SAF under the FJKM, and SALFA under the Lutheran Church) and a few local affiliates of international NGOs, the most prominent being FISA, the Malagasy affiliate of the International Planned Parenthood Federation. Their independence was largely a function of the strength of the churches' position, as well as financial subventions received from sister organizations in the North or international NGOs in the case of the few local secular NGOs.

As Madagascar's economic crisis deepened in the mid-1980s and government withdrew from its dominant role as a provider of public services, the vacuum was partially filled by a set of new voluntary associations, including a growing number of smaller, subnational NGOs. This new class of development and environmental NGOs complemented the health and education

programs of the churches, but also entered new sectors such as microenterprise development (income-generating activities) and natural resource management, helped by increasing donor willingness to look outside the state sector for ways to provide desperately needed social and economic services.

By the beginning of the 1990s, the first few organizations with a purely "civic" character were beginning to emerge. In some cases, older professional and business associations reoriented themselves to take a more activist role vis-a-vis government by demanding greater political and economic freedoms for their members or the public at large. This latter group will be discussed below. The 1989 presidential elections brought CNOE, the first of the election monitoring organizations, into existence; not for another two years was it joined by the first Malagasy human rights groups, the Ligue de droits de l'Homme. Thereafter, the number of newly formed civil society organizations exploded.

Most were formed solely to rid themselves of an oppressive regime. Of the dozens, if not hundreds, of popular organizations that came into existence and received legal status under Ordonnance 60-133, only a handful carried on beyond the presidential and legislative elections of 1992/93. "Burn-out," a loss of purpose and direction, and personal economic survival considerations were the principal reasons for the shake-out. Among those that seem to be surviving since the elections are the so called "civil society-based" political associations, such as Leader-Fanilo, ACCORD, and GRAD-ILOAFO, some of whom have seats in the National Assembly.

The principal characteristic of NGOs engaged in development activities and the subset of NGOs engaged in purely civic action functions (specialized civic organizations), is their limited institutional capacity. Except for a few organizations (e.g., Fikrifama, SAF-FJKM, FFKM, CNOE) which have built up strong track records, including the successful management of donor funding, the majority of Malagasy NGOs operate on a strictly voluntary basis with no permanent staff, office space, transportation, and only limited funding to execute project activities.

Several significant patterns have emerged over the past five years. First, little differentiation has taken place with the NGO community in terms of specialization of functions. Most NGOs, whether national or subnational in coverage, operate multisectoral programs which permit them to respond to where donor funding seems to be flowing. There are no specialized NGOs providing capacity-building assistance to other NGOs, although there appears to be a critical demand for such services. Unusually, there are no overall NGO "umbrella" organizations. There are also few sectoral networks, apart from COMODE for environmental NGOs, that group together NGOs in a given sector or subsector in order to provide a common range of services including representation, technical assistance and training, and joint use of logistical and administrative support services. This lack of differentiation and specialization is one of several indicators of the relative youth and weakness of the Malagasy NGO community.

The second noticeable pattern concerns the types of NGOs that have developed over the past two decades. One sees little evidence of the ground-up formation of membership organizations,

especially in rural areas, which federate or regroup a number of base or primary level associations at either district, regional or national levels. To find virtually no organizations that represent primary producers in a country that is at least 80% rural, and whose population is primarily engaged in agriculture, is curious at best. Peasant federations, national associations of women, cooperative and credit union movements, are all vehicles for local people to organize to advance common interests, and all are missing in Madagascar.

The importance of such member-based groups is two-fold. The first is accountability. Leadership at all levels is, in principle, accountable to the members who have elected them. Their basic organizing principle is thus one of democracy and self-governance. Secondly, such organizations normally have a large membership base that can translate into political power when necessary, and as a mechanism for the transmission of information and new ideas to the grassroots level. The only truly non-governmental national-level membership organizations that are discernable in the Malagasy context are the few church-affiliated NGOs which utilize the structures of the parent organization to reach primary level associational groups.

The most common types of NGO are those that have been started by a few concerned individuals who have identified a particular need within society and who thus operate in the public interest. Such organizations normally operate on a voluntary basis, are either based in the capital city, or in provincial capitals, and are what we normally think of as NGOs. The host of environmental NGOs (e.g., SAFAFI, FMBM, CEADAM) and women's associations (e.g., Femmes Entrepreneurs, Femmes Jurist, Femmes Artisanats, etc.) offer good examples of this genre of NGO. While their motivations are based on a desire to perform a public service, they are not directly accountable to any group outside their own institutional confines. This does not mean that these "public spirited" NGOs are any less effective than membership-based NGOs -- in fact, due to their size and focus many of them are more so -- but rather, that their legitimacy is often in question. It is among such NGOs that most abuses of "non-profit" status are most often noted.

Another pattern noted among the NGO community, both developmental and specialized civic organizations, is the dominance of church-related organizations and the small number of individuals that control them. Virtually all of the strongest NGOs -- which not co-incidentally happen to be the oldest -- have either a direct or indirect affiliation to one or another of the church denominations. While such organizations as SAF or SALFA were created to serve as development arms of their respective churches, many of the larger secular ones (e.g., CNOE, FIKRIFIMA, FISA) were created with the blessings of a particular church. It became apparent through the interviews conducted for this assessment, that a handful of people (relatively speaking) control many of the larger NGOs, both secular and church, through a system of interlocking board memberships. If one looks closely at the new NGOs formed in the last three years, it becomes equally evident that a number were launched by this handful of larger NGOs.

These patterns have been greatly reinforced by the donor community through its funding of those NGOs deemed to be most capable of executing donor projects. One gets the distinct impression of an NGO community with little underlying diversity in terms of organizational ownership and

characterized by "personalization" through the dominance of a fairly small and homogenous socio-economic group with strong religious affiliations.

3. The Independent Media

The independent media is a linkage institution between people and state that resides within civil society and undertakes functions of civic action, i.e., provides networks of public communications and fosters goals and norms of civic community, and yet its constituent members are not, strictly speaking, civic organizations. The media, including the press and radio, to the extent that it operates on principles of profit, is actually part of the market economy. Strong media organizations can balance these dual purposes, public interest versus economic self-interest, which conflict at times. The conflict also points to the nature of assistance that is required if the media in Madagascar is to continue its contribution to the growth of a democratic polity.

State-owned media, as well as those controlled by AREMA and other Front parties, were the dominant outlet for news and information through most of the 1980s. In November 1990, under increasing popular pressure, a new communications law was adopted by the Assemblée Nationale Populaire replacing the 1974 Chartre de la Presse. Although the new law removed the more overt forms of censorship, the government was still able, through control of public access to state-owned media and of journalist's licenses, to limit media freedom. By May 1991, the emergence of a number of new and independent newspapers, some legal and others not, as well as the first independent (although illegal) radio station (Radio des Forces Vives) had become an established fact of the new political era of liberalization. The "flowering" of the independent media, however, took place in 1992/93.

Today there are some eight principal independent daily newspapers, all to some degree bilingual. Midi Madagascar and The Madagascar Tribune have by far the largest circulations, probably because of their political non-affiliation. The remaining dailies are essentially affiliated either directly or indirectly with political parties (e.g., Nouveau Journal de Madagascar/pro-Ratsiraka & federalist; Telonohorefy and Maresaka/Forces Vives; Imongo Vaovao/AKFM). There are also roughly eight weekly newspapers which, with one or two exceptions (primarily devoted to economic analysis), are either party affiliated or, as with La Croix (the largest newspaper in circulation), affiliated with one of the churches. Of the six independent radio stations that have come into existence since 1991, three are regionally based, two correspond to political tendencies, i.e., the Forces Vives and Federalist, and the remaining one is primarily devoted to news and music.

Since the closing of the Centre de Formation des Specialistes de l'Information (CFSI) in 1974, there has been no indigenous Malagasy training institution for media practitioners. Those who do have formal training (primarily public sector employees) received it mainly in Eastern European countries during the socialist period of the Second Republic. Private media operators, including newspaper editors and journalists, as well as newspaper and radio owners, have had to rely primarily on donor-sponsored short-term training courses in a number of substantive

areas such as investigative journalism and economic reporting. In addition to a lack of trained personnel, most private media operations are individual or family run affairs with few resources, and continued survival is a precarious day-to-day or month-to-month matter. The lot of independent journalists is hardly better, given the relatively low salaries and other emoluments.

There are now no state-run newspapers but the public-owned national radio and television stations are still a major source of broadcast news and information in the country. Their facilities, especially those of the National Radio Station, are well-equipped and allow the production of short programs for broadcast. While there seems to be no private input into or control over the content of the programs which are produced, the range and variety of current programming, which includes a number of civic education messages and productions, appears to be unbiased and generally informative. In addition, a number of NGOs with a civic orientation have been able to purchase radio time to air their own programs on a variety of subjects.

There can be little argument that media freedom exists in both law and practice in Madagascar today. The media is vibrant and diverse, although perhaps less so today than during the initial period following the popular May 13 movement, when media proliferation was one of many expressions of the diversity and plural nature of political and civic thought. It also appears that the press in particular has been able to serve the function of informational openness that has ensured both a minimum degree of government transparency and accountability and public education. Of all the institutions in Malagasy civil society today, it is the media, primarily that of print, which has demonstrated the greatest capacity for demanding good governance from state institutions. Given the fact that today's political leaders owe their positions to the democratic system brought about in large part by the independent media, the likelihood of newly imposed media restrictions seems extremely low.

One cannot but be impressed by the quality of current journalistic coverage which provides fairly accurate reporting and analysis of the most important political issues of the day. Newspapers and weekly journals have been instrumental in keeping a number of controversial issues (e.g., 4x4 vehicles for NA deputies, import limitations placed on some 150 products, the machinations surrounding the \$2.0 billion affair, the redistricting of subnational entities under effective decentralization) in the forefront of the public's attention. Until other civil society institutions such as NGOs, professional and business associations, and labor unions, achieve greater diversity and the capacity to effectively carry out civic action functions, it will remain the media's role to continue as the primary countervailing force to the state in Malagasy society.

For the media to continue in this role it will, however, require additional investments in upgrading journalistic skills and improving the management capacity of individual media outlets to ensure that what resources are available to them are used efficiently and effectively. Equally important, a strategy must be found to increase access of journalists and media owners to the basic means of production, including office space, equipment ranging from computers to news service hookups, and transportation required to expand coverage and distribution to the regions. These needs, i.e., technical assistance, management training and infrastructural support, are common

to all media organizations, and can thus be addressed collectively rather than on an individual basis.

Another immediate hindrance to print media is the problem of distribution. Neither of the two major dailies have more than a token presence outside the capital. The same can be said for the weeklies, which rely more on personal systems of distribution than on an organized commercial network. The only nationally distributed newspaper is La Croix, which has extensive circulation in rural areas, thanks to the Catholic church's own country-wide network.

The greatest threat to the independent media in Madagascar today, as it is for the young democracy itself, is an economic one. The financial precariousness of individual media enterprises is exacerbated by the decreasing purchasing power of individual citizens.

4. Labor Unions

The roots of the labor union movement in Madagascar date back to the colonial era, when local French civil servants wanted the benefits obtained by workers in France to be extended to the colony. The first two indigenous labor unions were thus, to a large extent, a reflection of the two principal social forces which swept France in the 1930s. The first was the socialist-leaning Confederation Generale des Travailleurs-Malagashe (CGT-M) which later gave birth to FISEMA (affiliated to the opposition party AKFM under the first Republic) and the Fikambanan'ny Mpiasa Malagasy (FMM), allied to the ruling Parti Social Democrate (PSD). The second of the labor movements inherited from the French was the religiously-affiliated Confederation Francaise des Travailleurs Chretiens (CFTC), which under the First Republic became SEKRIMA, the primarily Catholic-affiliated labor union. The major point to note about the formation of these first labor unions is that they were public sector based, a trait which has carried over to the modern era.

The three unions noted above, FMM, FISEMA, and SEKRIMA, plus the Union des Syndicats Autonomes de Madagascar (USAM) were the principal players throughout the period of the First Republic. The workers that they represented had few complaints in terms of the benefits accorded to them by the government of the time, since they were similar to those enjoyed by workers in France. Under the Second Republic, however, this situation changed drastically, with only those unions affiliated to the parties of the FNDR, as detailed in the Labor Code of 1975, legally allowed to operate in the country. Although SEKRIMA, FMM and USAM appealed to the International Labor Organization to intervene with the Ratsiraka government over the restrictions mandated in the 1975 labor code and the government did in fact rescind the most onerous texts of the code, they were virtually removed from an active role in the union movement until 1990.

Although private sector unions existed throughout the First and Second Republics and were, in fact, permitted a greater degree of freedom and competition than their counterparts in the public sector, their ability to gain concessions from private sector firms was relatively limited, as was their overall ability to impact governmental policy making.

When political liberalization began union life once again found fertile ground and the number of new and autonomous unions grew exponentially. Unions were involved in all major transition events, including the Panorama Convention and National Forum.

Two major confederations, the Fiaraha-Miasa Foibe Sendikaly (FFS) and the Front Syndical Malagasy (FSM), regrouping both individual labor unions and some federations, have come into existence since 1989. It is instructive to briefly examine the structure of these two groupings since they reflect the major cleavages that exist in both political and civil society.

The FFS is made up of some 11 members, including SEKRIMA, FISEMA, USAM, FMM and a number of smaller unions such as the Union of Higher Education Teachers (SECES) and the Postal and Telecommunications Workers Union (CNT/PTT). The FFS thus corresponds closely to those older unions primarily representing public sector workers that were suppressed during the Second Republic. They became key members of the May 13 Movement and eventually the Forces Vives. Between them, they belong to a number of regional and international labor federations, including the World Federation of Workers, the World Federation of Unions, the United Organization of African Unions, and the International Confederation of Independent Unions.

The FSM, with some 12 members, represents primarily those union bodies that dominated during the Second Republic and affiliated to the principal ruling parties, i.e., SEREMA (AREMA), FISEMA/RE (AKFM), SEMPIMITO (MONIMA/K) and SEMPIKRIMA (UDEEC/MA). The FSM believes that it is a more representative movement than the FFS since it has member organizations throughout the country and because it represents both public and private sector workers. Although the FSM is affiliated to the MMSM party, it considers itself an autonomous organization capable of taking independent policy action.

The Mouvement Intersyndical Malagasy (MIM) has recently tried to insert itself into the Malagasy labor movement as the overall umbrella organization representing all Malagasy unions. In fact, over 90% of its 89 members either belong to the FFS or are autonomous public sector unions. Both the FFS and FSM seem leery of giving it full support as there are suspicions that MIM's leadership is influenced by certain political forces. The recent refusal of many FFS and FSM members to join in the general strike recently called by MIM is an indication of its current influence.

A number of observations can be made about the union movement. First, it, like the rest of Malagasy society, has become politicized. Second, the degree to which a union ethic or culture has taken hold, including an understanding of worker rights and obligations, is still limited. Third, individual unions, as well the larger federations and confederations, have limited institutional capacity to undertake any of the functions for which they were initially created (e.g., advocacy and representation, training, offering credit or other centrally-funded services, etc). And finally, although the unions have become more democratic in the way they elect officers, the distance between the leadership and general membership is still great and calls into question worker representation vis-a-vis either government or individual employers.

The right to strike and the freedom to form independent labor unions given by the new constitution are major departures from life under the Second Republic. The unions still complain, however, that they have little voice in government decision-making, distinguishing between being consulted by government and having government act on long-standing union issues. The unions are asking for participation in up-coming IMF/World Bank talks. Although they may not admit it, the unions have constrained government's room for manoeuvre in the formulation of macro-economic policy through the placement of a number of conditions, including no exchange rate devaluations.

C. Assessing Civil Society's Potential for Democratic Governance

What is the capacity of Malagasy civil society to undertake functions related to democratic governance? The assessment focusses on a specific segment of civil society, the organizations that undertake two types of civic action: (i) holding the state accountable for its performance and ensuring the development and diffusion of civic norms throughout society; and (ii) strengthening the capacity of primary associations to undertake self-governance functions in a participatory and democratic manner. Specialized civic organizations, such as policy advocacy groups and civic education and human rights organizations, address the areas of limiting state powers and building a civic culture at the national level, while developmental NGOs, are concerned with and oriented towards issues of increasing popular participation at the local level.

This assessment finds that the current capacity of civic organizations to undertake civic action in either of these two categories is limited. The current structure of Malagasy civil society is characterized by (i) a small group of strong, primarily church or church-related multipurpose NGOs and civic organizations, most of which existed prior to the transition, have a nation-wide structure and outreach, are well funded and have established a sound track record in the execution of their programs; (ii) a middle tier of civic organizations formed during and after the transition, are mainly urban-based and which have been able to undertake a limited number of civic action functions; and (iii) the far larger number of non-profit associations, created in the last two years, with only a general notion of their mission, and little demonstrated capacity or concrete achievements. Outside the first tier of organizations, only labor unions have any significant membership base. At the subnational level the vast majority of civic organizations were formed in the past two to three years, and little donor funding trickles down to this level.

The principal mass-based institutions today are the church, labor unions, and political parties. As benevolent an influence as the church has had in this country, its interests have not, or will not, always coincide with national objectives in the areas of social, economic or political development. Problems with the labor union movement have already been noted, chief among them fragmentation, personalization, politicization and a lack of internal democratic practice. The primary purpose of political parties is to contest elections and seek the exercise of state power. Each of these institutions is structured hierarchically from the top down with decision making authority centralized within the hands of a few elites in national governing bodies.

The dearth of intermediary civic organizations is a symptom of the larger phenomenon of social

fragmentation and the difficulty of federating traditional forms of associational life into larger units of solidarity. With a history of state intrusiveness in the visible and formal arenas of economic and social life, these small traditional groupings have provided the only refuge for the vast majority of Malagasy, serving as their principal means of economic survival. Although the "predatory" nature of the Malagasy state is, to a large extent, an event of the past, the country's economic situation has yet to improve thus, offering little incentive to abandon these traditional forms of associational life.

There has been virtually no development of grassroots-initiated, membership-based organizations, such as ethnic-based mutual-aid societies or national farmers organizations that occupy the middle ground between the base and national levels of associational life. From a practical standpoint, this dearth of intermediary associational life presents a real problem in terms of how (i) the mass of people express their aspirations, demands, and interests to the state; and, (ii) to extend a range of civic education messages to the primary level of association where the majority of people live. While the church and, to a lesser extent, the media offers the best current means of reaching the local level, consideration needs to be given to what other institutions, either existing or to be created, could be employed in this necessary intermediary capacity.

An important question, which this assessment was only partially able to answer, is whether the significant number of civil society organizations that have carried over from Second to Third Republics are willing and able to undertake civic action functions today. Given the corporatist structure of social and economic life under the Second Republic, the legitimacy of those organizations, especially those which were associated with the government or ruling parties, must be in question. The problems of the unions are mirrored by those of the professional organizations, particularly the *Ordre des Avocats*, *Jeunes Chambres de Economique de Madagascar*, *Ordre des Journalists*, and the Chamber of Commerce and Industry. There is, however, no single answer to the question of such organizations' capacity for reorienting their mission beyond serving their members' narrow self-interest. While it appears that *Ordre des Avocats* and *Jeunes Chambres Economique* have reoriented themselves, primarily through a new and enlightened leadership, the same cannot necessarily be said for the latter two organizations.

This analysis raises both conceptual and practical concerns. In looking to develop a strategy to strengthen Malagasy civic action, one is confronted by a large number of young and inexperienced organizations with no proven commitment to civic action and a small number of older, more established organizations whose "civic spiritedness" is of a questionable nature. However, each of these older organizations is now matched by at least one new organization (in the case of the unions, dozens), providing, at the very least, a healthy level of competition for membership allegiance.

In this extremely dynamic situation the question becomes where an investment in strengthening civil society will bring the best return. Focussing on the new civic organizations with the tremendous level of capacity building inherent in such a strategy and the small number of people they touch? Writing off the established organizations because of their previous ties and current

problems and ignoring their greater capacity for outreach and impact? This issue also touches on the support of broadbased civic organizations such as unions that have some degree of accountability to their membership versus public-spirited organizations with no broadbased membership and no direct accountability to anyone.

1. Engaging the State and Building a Civic Culture

Civil society in Madagascar is inexperienced and weak in its ability to deal with state, but the capacity for civic action does exist. The ability to confront the state and the capacity to promote a new political and civic culture are, however, products of urban culture, primarily Antananarivo-based, and overshadowed by the churches and a small elite.

Although the churches have overtly disengaged from active political life, there seems little doubt that they still play the dominant role in confronting the state and holding it responsible for its actions. As the heads of two FFKM member groups made clear in separate interviews, until a degree of political stability takes hold in Madagascar, it will be the responsibility of the churches to ensure it. The implication is that instability might come from the abuse of state power or, equally important and more likely, from the state's failure to lead.

The churches seem to be the base from which civic education must spring, but pluralism and diversity in ideas and opinions as well as skills and interests, are goals to be sought. To achieve this takes a wide variety of organizational types, which at the same time ensures that no single point of view comes to dominate and preclude the expression of others. This is the essence of a democratic system.

Supporting the development of the growing "second tier" of public-spirited professional associations, business groups and specialized civic organizations based in Antananarivo offers the most immediate prospect for civil society growth. There are at least a dozen such groups engaged in a range of civic action functions that counter the state and build civic culture. Current areas of interest and capability include policy analysis, formulation, and advocacy in a wide variety of governance reform areas; human and civil rights promotion and monitoring; civic education in a number of substantive areas; election monitoring; mediation and conflict resolution; and oversight of the performance of state institutions.

These organizations operate primarily on a voluntary basis but have been able to demonstrate a capacity to undertake limited but effective activities, with little or no donor funding. Their small size and professional membership make them likely candidates for increasing impact with a modest amount of outside support. Organizations which fall into this category include the Association of Free Journalists, Traditions and Progress, Women Jurists, Jeunes Avocats, and range of smaller business associations, such as APEM and Femmes Entrepreneur dealing equally with the informal sector and women. Many of the individual members of the larger business federations such as CONECS, Fiv.Mpa.MA, and GEM could also be included.

An equally important group is the small but growing number of newly formed professional and

business associations that are beginning to emerge at the subnational level, as well as local or branch affiliates of some of the first tier national organizations. FIPAFAMA, COEUM and GOMAN are regionally-based organizations; the JCEM, Ordres des Avocats and Fiv.Mpa.Ma are national organizations which are well represented in most of Madagascar's six provincial and several important regional cities. These specialized civic organizations and many others like them may be able to raise and represent local concerns and interests with the soon-to-be-formed collectivity governments and will then constitute an important element in effective decentralization.

In addition, the number of development NGOs engaged in a range of sectoral activities is growing. NGOs working in environment, primary health care, and microenterprise development have sprung up at the subnational level. They in turn work with villages and community groups at the local level. These groups have a potential for engaging both local governments and central government agencies over issues that directly effect their client groups. In their intermediary capacity such NGOs provide a channel for primary groupings like parent associations, community health committees, and small cooperative-like producer associations. These NGOs thus have the capacity to play both a demand-side role by confronting government over its policy decisions, and a supply-side one in terms of working to build capacity among primary level groups for self-governance.

The need to develop networks of NGOs has been mentioned. The absence of such organizations denies the Malagasy NGO community a number of important functions. Without a common voice, NGOs have a limited ability to lobby government and advocate for needed policy reforms which affect them directly, either as a community, or in terms of the negative impact unfavorable sectoral policies have on their programs; and, more importantly, in their ability to represent the needs of their client or member groups. Networks, apex or umbrella organizations have proven elsewhere to provide a set of capacity building, administrative and logistical services to their members which individual organizations are incapable of providing themselves. Support to existing networks and encouraging the creation of new ones would promote the habit of association among an important group of intermediary organizations.

Civic organizations often lack adequate advocacy skills. From lobbying skills to the development of civic education materials, most voluntary associations have had little opportunity to gain skills other than on the job. The following areas were identified by the groups interviewed as those where training is needed: mediation and conflict resolution; lobbying and advocacy; civil and human rights promotion and protection; information, education and communications techniques used to transmit civic education messages; election monitoring; and policy formulation, analysis and evaluation. Engagement in policy issues requires background knowledge. Very few Malagasy organizations have any broad background knowledge, and without it will be able to play only a limited role in engaging the state in policy dialogue.

The ability to define an overall mission, specify a corresponding set of objectives and strategies to attain it, and have the practical ability to carry out specific activities are critical skills. Most Malagasy civic organizations lack planning and management skills. A coherent training and

technical assistance program focussing on organizational development and management training is a fundamental requirement for the great majority of these organizations. Specific areas would include: strategic planning and management; financial management and accounting; leadership training; project identification, formulation and proposal development; monitoring and evaluation skills; and office management and administration. Being taken seriously by members, clients, government and even donors will be a function of how well these organization demonstrate basic organizational management skills in addition to principles of good governance.

Virtually all of the second tier civic organizations, as well as branch affiliates of those larger ones in the first tier, operate on a voluntary basis, depending the volunteer labor of their members. While they have had some success in raising small amounts of funding for their activities and demonstrated the capacity to manage successful small-scale projects, for the most part they have no permanent capacity to sustain themselves or develop a meaningful long-term program. This includes office space, equipment, transport, travel costs etc. They are limited to the capital and larger regional cities where their members live. Moving beyond this stage of limited activities and impact will require more than training and technical assistance. Identifying and selecting good "investments," and then finding ways to provide them with access to at least the fundamental tools necessary to give meaning to their voluntary efforts must be considered an essential component of strengthening civic organization capacity.

2. Building Self-Governance Capacity from Below

The underlying notion of democratic governance is that of shared governance in which civil society is vitally involved in governance functions either by demanding good governance from state institutions or in supplying it in the form of self-governing associations involved in the allocation and/or management of public resources or services. This section examines the capacity of these "non-state publics," or informal organizations at the primary level of associational life, for self-governance .

a) **The Emergence of Modern Self-Governing Bodies:** The value of traditional associational life has been in its ability to provide the Malagasy people with means of cover and refuge from the arbitrary acts of predatory state institutions. Economic and political breakdown left a vacuum in the provision of public services by the state.

The Third Republic has occasioned a resurgence in associational life, not simply as a means to escape state interference -- the state seems preoccupied with its own reconstitution at the moment -- but as a means for taking over those governance functions previously undertaken by the public sector that directly affect peoples' daily lives. Parent associations now must play an increased role in the management of primary schools, as neither local government nor the Ministry of Education have the capacity to do so. Water (irrigation) user associations must manage rice perimeters formerly the responsibility of the Ministry of Agriculture. Newly formed groups provide local security, as law and order can no longer be guaranteed by the state. These are examples of local organizations that transcend traditional forms of ascriptive association in order to deal with the necessities of modern economic and social life.

b) **The Revival of Traditional Forms of Self-Governance:** Modern forms of self-governance require structures and rules for allocating and managing public resources and services, as well as holding managers and members accountable for their actions in relation to these functions. One form of institution that incorporates both elements of self-governance is the "dine," a traditional form of social contract used earlier in Madagascar's history, but discouraged by recent regimes. While it is still too early to evaluate the effectiveness of the dine as a framework for modern day self-governance, a number of NGOs, Fikrifama in particular, have been working with local client groups to adapt this mechanism to today's associational needs.

c) **The Role of NGOs:** The ability of Malagasy NGOs to work with and build the skills of grassroots associations to undertake self-governance functions is a critical task both for improving economic welfare and creating the eventual capacity to demand good governance from newly formed local governments. This will require considerable investment in building NGO capacity, and moving away from the notion that these "intermediaries" are an unnecessary layer of implementation in reaching "ultimate beneficiaries" at the local level.

d) **Decentralization and Self-Governance:** Decentralization should not be looked upon as a strategy that will replace the need for self-governance at the local level of associational life. Decentralization will, in principle, bring government closer to people, and thus permit them a greater say in determining how public resources will be allocated, and a means for holding elected officials accountable for their management. This will take place in certain, but not all, domains of public life, primarily because local governments will lack both the means and capability, at least for the foreseeable future, to undertake more than a limited range of responsibilities; and these are not likely to reach very far beyond the commune level. Nor does government necessarily need to be involved in the range of local governance functions that have been noted previously, and which are of primary interest to those immediately concerned. This is the principle of "subsidiarity," that any public function should be allocated to the lowest level of government that can manage it and that has a direct interest in managing it well.

D. Linkage Institutions: Their Capacity for Facilitating Democratic Governance

Linkage institutions which bridge state and society, such as the media, the courts and political parties, are defined by the linkage functions they perform rather than whether they are located. What this means in practical terms is that linkage institutions can reside either within the state or civil society. Linkage institutions thus undertake multiple functions, only some of which link state and society. The following discussion assesses the capacity of these institutions to facilitate the emergence of democratic governance within the Malagasy polity.

1. The National Assembly and Other State Fora

The legislative branch, in addition to its watchdog role vis-a-vis other state institutions and its deliberative, law-making functions, bridges through its deputies the views of constituents and lobbyists and those of the government. It also provides fora in its commission hearings where state and civil society actors are called upon to testify and contribute their views to specific issues or problems of national interest. It is still unclear how the Senate will be structured and whether it too will have commissions to solicit input from other government agencies and non-state social and economic interests.

The courts perform a vital linkage function by permitting challenges to the legality of state actions as well as enforcing the constitution and the laws. While the structures to oversee the new judicial system have yet to be established, one could envisage broadening the representation on the "Conseil Nationale de la Justice" from the currently proposed three state institutions to include representation from civil society as well. Having a representative from the Ordre des Avocats, for instance, would provide a range of civil and human rights organizations input into and oversight of the operations of the judicial system.

Virtually all of the Malagasy business organizations interviewed mentioned the lack of a permanent structure through which ongoing dialogue with government could be sustained. The only other state structures that may emerge and that could serve as possible fora for state-civil society interaction are presidential (or prime ministerial) commissions. While primarily constituted as "advisory" bodies, such commissions have potential to address critical and controversial issues.

2. Political Society

The contestation for political power takes place within civil society through the mobilization and aggregation of individuals and groups sharing a common set of social and/or economic interests. It is this "latent" aspect of political parties, i.e., the aggregators of mass interests and potential holders of political power, that make them a natural mechanism for communicating the aspirations and concerns of their members to those that actually do hold power. Likewise political parties serve as an important channel for information and education for their members.

Leader-Fanilo, Grad-Iloafo and other parties with seats in the National Assembly do not call themselves political parties. The fact that new forms of political organization which identify themselves with civil society have developed in Madagascar can be seen as a recognition that the traditional political party system has failed to provide the linking function. By increasing the diversity of political organizations to which people can affiliate themselves, the ensuing competition forces all political parties to check those tendencies which work against the practice of democratic governance.

The tendency when assessing the capacity of Malagasy political parties to promote a system of democratic governance is to discount them because they are too "political" and, in fact, undemocratic in their internal operations. While essentially true, the picture is a static one which acknowledges neither a capacity for change, nor the likelihood for evolutionary

development brought about by internal demands or from external sources of support. If, as is often said, democracy is a never-ending work in progress, then one must view its constituent parts and processes, and especially those with the potential to make a wider impact, as a target for improvement. There appears to be no reason to suppose that political parties are any less open to change through a concerted program of civic education than the existing organizations of civil society who have to date exhibited no overwhelming demonstration of or adherence to democratic practice and values.

3. The System of Public Education

The Malagasy have always had a strong desire for education which can be seen in the relatively high degree of literacy among the general population; the percentage of children including girls currently enrolled in primary and secondary school; and the extensive system of physical infrastructure and teachers found throughout the country. The economic decline of the past 15 to 20 years has of course taken a terrible toll on this system but it still remains essentially intact and, more importantly, is functioning for the first time in a generation under a non-ideological, democratic political regime. Primary and secondary schools are not only a place of traditional education, but offer a natural locus for the learning of fundamental civic skills and values. The university system, also national in scope, is both an institution of higher education and one which potentially offers a neutral forum for the discussion and debate of national policy and direction.

The institutional needs of the Malagasy educational system are considerable. This is not an area where any donor, either singly or in concert, will be able to make a significant impact for many years to come. However, assisting the government under the supervision of an independent commission to develop a "civics" curriculum for secondary schools, the printing of textbooks and related materials, and the training of teachers in the use of these materials, is certainly an intervention which offers tremendous possibilities for short to medium-term impact. Likewise, identifying and providing modest support to those departments, institutes or centers within the university system that would like to play a more activist role in fostering political dialogue between actors from an array of public and private institutions would not only provide a valuable national service, but would help to raise the status and credibility of an institution that suffered greatly during the Second Republic.

4. Independent Fora

One of the principal obstacles to improving dialogue among and between actors in both the state and civil society is a lack of trust. There seem to be few individuals or organizations that are viewed as being impartial or non-partisan, which is not necessarily surprising given the politicization and fragmentation that characterizes Malagasy society as a whole.

What is lacking in short, are neutral fora where diverse views concerning the process of Malagasy democratization can be discussed in an atmosphere of openness and trust. This issue was commented upon by numerous respondents interviewed during the course of this assessment

in government as well as civil society. We looked at other existing organizations that have potential and might therefore be supported in undertaking this linkage function. While the normal tendency would be to assume that neutral fora would most likely be found within civil society, this has not been born out by the assessment.

As we have previously noted, there are only a handful of what we have termed civic organizations that have demonstrated any capacity to undertake basic civic action functions, let alone having the stature and credibility to command broad-based support. Certainly the more preeminent NGOs such as CNOE are viewed widely as having their own agenda, and a political one at that, which would preclude them from undertaking a non-partisan role in facilitating communications between political parties, for instance. This brings us back to the church and its historic and successful role as a mediator among political factions and between the state and civil society. The FFKM will continue to play an important role in this regard, and should be encouraged, if not supported, to do so.

As Madagascar's transition has solidified and moved into a stage of democratic consolidation, the likelihood of finding neutral fora within or on the fringes of the state are just as great as finding them within civil society. Examples that technically fall within the state sector include such organizations as the Academie Malagashe and CIDST, a public sector clearing house and multidisciplinary research center focusing on all major sectors, including public administration, business and commerce. What is of particular importance concerning these organizations is the fact that their boards of directors, although appointed by the president, are structured to provide autonomy and independent action with relation to their programs. While there are obviously limits to this autonomy, the officers interviewed from both of these organizations felt that there was little evidence of internal politicization. They had, in fact, already undertaken a number of workshops, seminars and colloquia, that brought together a diverse range of views and actors.

Civil society presents more of a challenge in terms of locating non-partisan, impartial and respected organizations capable of providing linkage functions. In fact, the only NGO or civic organization that the team found with the requisite characteristics was the Ordre des Avocats, as the result of a recent major change in board membership. It is conceivable that other professional groups such as the medical and MBA associations, which were not interviewed for this assessment, are also possible candidates in this category. Most other civic organizations interviewed, however, were either too recently formed to demonstrate a minimum level of organizational capacity or any degree of credibility within the wider community; or too closely affiliated with one or the other of the church denominations; or identified as being too political either through affiliation with a particular party, or as a result of its own political agenda. This holds equally true for the several major business associations because of their identification with a particular socio-economic and ethnic group.

We also found a degree of capacity and impartiality among the professional for-profit consulting firms such RINDRA. This is not so unusual as it may seem given the fact that the underlying organizing principle is one of profit -- itself a fairly broadbased and universal concept -- and one that cuts across all affiliations. Although the team did not have an adequate opportunity to

interview more such firms, the impression gained from the two that were interviewed was that they operated in many ways as think-tanks and training institutes, with no other agenda than the specifications of a given consultancy.

V. PROGRAMMATIC OPTIONS AND FUTURE DESIGN ISSUES

A. Overall Governance Context: Conclusions

1. The Durability of the Democratic Transition

The consolidation of a system of democratic governance in Madagascar is underway. In strictly technical terms, a democratic transition was achieved with the peaceful transfer of power to a democratically elected government. Specifically, Madagascar has seen the drafting and widespread acceptance (through referendum) of a new constitution guaranteeing basic freedoms and limiting the exercise of power by the state; the holding of multiparty elections for president and legislators, widely accepted as free and fair; and the installation of a parliamentary form of government headed by a Prime Minister elected by and responsible to a newly elected National Assembly. These technical "markers" of the democratic transition are important not only because they took place, but because they reflect a deep yearning for change by the Malagasy, which constitutes a "spiritual" break with three decades of authoritarian rule.

Before assessing the potential for further consolidation of Malagasy democracy, it is necessary to first determine whether there is a likelihood that the democratic transition itself will be reversed. To answer this question, several key points are noted. First, there is widespread acceptance that the rules of the game as framed by the constitution are those that all segments of society are willing to abide by. Secondly, the military has withdrawn to the "barracks," has undergone a significant degree of depoliticization, and seems ready to undergo a further process of professionalization. While the church has withdrawn from overt participation in the public arena, and seems content to let other legitimate actors assume the responsibility for working through the many issues facing the young democracy, it nevertheless remains vigilant and cognizant of its ultimate role as arbiter of the new order.

The greatest threat to the democratic system comes from the severe economic crisis facing the country, and the corresponding set of structural adjustment measures that have been introduced to rectify nearly two decades of failed economic policies. Although a great deal of hardship and suffering has been engendered by these austerity measures, and has touched virtually all social classes, it has not brought on the kind of social unrest and political crisis that has been witnessed elsewhere. The recent failure of some labor unions to mount a general strike is a good indication that most workers seem willing, for the moment at least, to give the government additional time to turn the economy around. This includes up-coming negotiations with the IMF/World Bank and is an additional sign that most social groups understand that without some degree of political stability and national unity, there will be little hope for successful conclusions to these important talks.

Underlying all of these positive indicators is the notion of a "social contract" between the government and the Malagasy people. Political leaders have talked in public about the necessity of such an understanding, it has been reported and commented upon in the national press, and many of the respondents interviewed during the assessment highlighted the need for consensus at this critical juncture in the evolving democratic process. The combination of these macro socio-political and economic developments leads us to state that there is little likelihood of a reversal of the democratic gains made over the past two to three years. This underlying consensus thus provides the basis for further consolidation of a system of democratic governance.

2. The Potential for Further Reform and Improved Governance

The fact that there appears to be no immediate threat to democracy in Madagascar does not automatically translate into a deepening of the democratic consolidation phase. Further consolidation will depend on a number of factors, among them, the ability of government leaders and state institutions to undertake a number of social, economic and political reforms, thus demonstrating their credibility and enhancing their legitimacy vis-a-vis the governed. It does not however, mean that the state is solely responsible for ensuring either further reform or improved governance. If continued consolidation is to take place in Madagascar, it will be more the result of (i) civil society taking increased responsibility for desired and final outcomes through its dual role of both demanding and supplying democratic governance; and (ii) linkage institutions developing to facilitate dialogue between state and society that leads to an understanding of the concept of shared governance. The extent to which state institutions become an area of focus for future assistance will be based on whether or not they also undertake linkage functions.

It is the position taken in this assessment, that the consolidation of a system of shared or democratic governance at this time can best be attained through supporting the growth and development of strong civil society and linkage institutions. This recommendation stems from a recognition that regardless of the tremendous institutional needs of the state as discussed previously, the resources available to it are still far greater than those available to either of these other two realms; and that in order for civil society, in particular, to overcome the historical imbalance in its relationship with the state, a concerted effort will be needed to build its capacity. Implicit in this analysis is the fact that great uncertainty still exists concerning the will and capacity of the state to sustain reform efforts in a range of critical areas, including private sector growth, civil service reform, and bringing the exchange rate into parity with world rates.

3. The Basis for USAID Support to Democratic Governance Reform

The consensus of the Malagasy themselves that they want democratic government is the basis for donors like USAID to offer assistance in D/G areas. The continually repeated comment "nous sommes condamnés à le réessayer ce fois-ci" indicates that Malagasy from all walks of life understand that another opportunity like this may not come again soon.

A first set of opportunities for USAID revolves around the actual accomplishments of the Third Republic. Success has been considerable and provides a basis for future achievements. A second set of opportunities concerns the emergence of a vibrant free press and the diversification, albeit slowly, of new civil society organizations. The third set of opportunities centers on linkage institutions.

B. Summary Overview of USAID's Country Program & Strategy

USAID/Madagascar currently has, or is about to start-up, programs and projects within three of the four strategic areas of the Agency's newly formulated sustainable development strategy. Program sectors in environment and natural resource management, population, and economic growth each have at least one major multi-year, multi-component project that addresses both policy reform and long-term developmental issues. Each of these projects focuses on (i) capacity strengthening of state and civil society institutions; and (ii) improving the economic and social welfare of individuals and households at the local level throughout society, but primarily in rural areas. Malagasy NGOs have increasingly been seen as important implementing agents in all Mission-financed projects, both as service delivery mechanisms complementing, or in some cases replacing, government programs, and increasingly as advocacy agents lobbying government for improved policies in concerned sectors. As a means to increase the overall impact of the Mission's country program, two "high potential" zones have been targeted and will benefit from a concentration or critical mass of assistance from the project portfolio.

While the Mission does not have a stand-alone "democracy building" program, in conjunction with the Embassy and USIS, it finances activities that strengthen several civil society institutions in the areas of policy advocacy, human rights promotion, civic education and government oversight. These activities are primarily funded through the Democracy and Human Rights Fund [116(e)] and through a USIS program co-funded by the Mission targeting the Malagasy media. These activities are complemented by a range of democratization and (self) governance interventions within ongoing projects and programs. Policy and legal reform conditionalities are attached to most of these projects.

In addition, the advocacy activities of a number of developmental NGOs, professional associations and business groups are being supported. This assistance is also helping to develop improved self-governing capacity within these intermediary organizations, as well as the primary associations with whom they work.

The purpose of the remaining sections in Part V is to lay out a framework for prioritizing, in a strategic fashion, potential areas of intervention which are susceptible to USAID programming; identify two to three key programmatic recommendations based on the application of this framework; and set forth options ranging from a series of targets of opportunity to a more integrated and strategic democracy and governance project.

C. A Conceptual Framework for Prioritizing Program Options

1. Broad Areas of Focus

There are two major transformations involved in consolidating democracy in Madagascar. The first is the continued structural transformation and growth of institutions in the state and civil society, both in terms of physical infrastructure and skills and in the evolution of rules and relationships.

The second transformation that must take place is an attitudinal one at the individual level. This is the development of democratic norms and values which transforms individuals into citizens and eventually translates itself, one citizen at a time, into a larger democratic culture. This attitudinal transformation is a long-term process, and best measured in generations. It is not necessarily costly but it must be continuous, and it depends upon a minimum degree of institutional continuity and functioning in order for values and norms to be transmitted and absorbed. Education is the primary source of attitudinal change, although it can and should come from a variety of institutional sources, including the formal educational system, civic organizations, the family, the media, and the church.

Institutional and individual transformation take place simultaneously and are synergistic. Institutions provide continuity and transmit values and norms from generation to generation. Individuals on the other hand, adapt and refine institutions to serve their changing needs. Thus, strategies supporting democratic development must be fashioned to target both transformations. The conceptual framework used to prioritize areas of assistance susceptible to USAID programming makes the general distinction between shorter-term institutional behavioral transformations and the longer-term individual attitudinal ones.

2. Specific Criteria Used in Prioritizing Program Options

We are proposing two sets of criteria to inform our process of selecting democracy and governance activities which could be supported by USAID/Madagascar. The first is a set of pragmatic criteria which deal with such issues as: (i) sensitivities that may arise from donor involvement in the area of democracy and governance due to the high profile (and sometimes political) nature of the sector itself; (ii) whether such activities are within the manageable interests, including internal management capacity of the Mission; (iii) whether USAID has a comparative advantage in a certain type of activity vis-a-vis other donors; (iv) whether other donors are either currently involved in support to a given area or envisage future support; (v) that the costs associated with a given intervention are consistent with the resources actually available to the Mission; and (vi) that given both the rapid and fluid nature of the changing political context, a degree of flexibility must be built into any strategy to ensure the ability to be responsive to new opportunities or potential failures. Specific criteria would include the following:

- Support should be non-partisan, and perceived by the Malagasy to be so. Any actions, whether assistance to political parties or to state institutions, particularly the executive and National Assembly, must strengthen the institution and not the group in power.
- Support should be the result of a participatory process in which Malagasy requirements, as well as those of USAID, form the basis of decisions. An American model may not only be inappropriate in many circumstances, it may generate resistance to the acceptance of specific interventions altogether.
- Overall there should be some sensitivity to the balance and mix of support between state and civil society provided through a D/G project, regardless of whether it is a series of "targets of opportunity" or a multi-component, stand-alone project. While this assessment has recommended that the principal focus of support be directed to civil society and linkage institutions, actual interventions should not be undertaken in such a way that they are perceived as against government. Special consideration could thus be given to those linkage institutions that reside within the state; and/or, on a case-by-case basis, to state agencies that have demonstrated a serious commitment to reform and improved governance.
- The U.S. experience with democratic systems is not always relevant to the constitutional system adopted by the Malagasy. Our judicial systems have evolved from different legal traditions and we do not have a hybrid presidential/parliamentary system. While this does not preclude assistance to the judiciary or the legislature, it does point to letting those donors with similar systems to Madagascar's take a lead in these areas. (It should be noted that virtually every respondent interviewed for this study, including many in leadership positions within these two institutions, expressed strong feelings about wanting to be exposed to systems and traditions that differed from those in current usage, and particularly those of the United States.
- There are enormous costs, primarily related to institution building, associated with Madagascar's democratic consolidation. With modest funding levels for D/G anticipated for the next two to three years, the Mission would be unlikely to have a significant impact in trying to support fundamental institutional changes within the state sector, and only marginally more so within civil society. The parameters defined by available resources do not entirely preclude capacity-building assistance, but they certainly call for the micro-targeting of such support.
- The time of Mission staff is also a limited resource. If the Africa Bureau has learned anything in the past two years from its D/G program, it is that implementation is an extremely labor-intensive undertaking. Management and oversight of project activities come second to the management of relationships and the need for flexible responses to rapidly changing situations. This constraint has been somewhat mitigated in the case of Madagascar by the high degree of collaboration between USAID, the Embassy and USIS, and the corresponding division of labor. Whether this positive aspect could be

maintained in a larger undertaking should be jointly decided. The "buck" and its accountability ultimately rest with USAID.

As distinguished from this set of pragmatic criteria, the second set is far more strategic in nature and thus provides guidance in the identification of appropriate areas of substantive involvement. These criteria essentially conform to the analytic framework used in this assessment which focusses on three realms of possible assistance: (i) defining the limits of the state through the establishment and institutionalization of a set of democratic rules governing and circumscribing the state's exercise of power; (ii) strengthening **civil society** and particularly civic organizations to become better demanders of good governance, and as actors capable of more effectively providing and promoting self-governance services; and (iii) strengthening **linkage institutions** to promote dialogue between state and civil society, mediate between various societal interests, and serve as a forum and network for the sharing and diffusion of information and knowledge.

D. Program Options and Recommendations

1. Near-Term Objectives in Democratic Governance

The analysis undertaken in this study suggests two principal objectives and a single secondary objective for USAID support.

a) Strengthen Civil Society: This should be the first priority of a USAID D/G activity. The state still controls the vast majority of resources available to the nation and still dominates the political agenda. Improving the capacity of civil society actors, and particularly civic organizations, to demand good governance from the state, at all levels, and improving organizations' internal practice of democratic governance is the objective of this recommendation. In practical terms, supporting the diversification and development of civic organizations would provide the capacity for (i) engaging the state in policy dialogue and pressing for continued political reforms; (ii) acting in an oversight capacity in terms of monitoring state performance; and (iii) undertaking a massive effort in civic education and local level associational capacity building.

It is particularly in this last aspect of civic education and local capacity building where NGOs and civic organizations have significant role to play. Widespread understanding of how the new political system is to work, including the responsibilities and rights of state and non-state actors alike, should increase pressure from a wider range of civil society actors for good governance. Supporting civic education is likely to produce a good return. The magnitude of support needed for state institution building, i.e., a new judicial system, decentralization and local government, and an expanded parliament, is beyond the scope of a D/G project, although specific components may fit well with D/G objectives.

No individual sector or institution within civil society should be arbitrarily excluded from a possible role in exercising civic action functions. Those institutions such as labor unions which exhibit the least understanding or practice of democratic governance are those that in fact require

the most attention. Smaller organizations and those located in the provinces specifically need to be incorporated into a concerted strategy of civic action and education. Where potential exists for aggregating a number of organizations into larger networks or consortia to increase economies and impact, it would obviously increase the effectiveness of limited resources. Finally, there are a number of latent and unformed social groups which are "organically" ready for associating together and require but a catalyst to create new organizational structures. One such grouping with representation throughout the country, and at the lowest levels of association are secondary school and university graduates. Their potential for working with primary associations in building self-governance capacity, as civic educators, and as election monitors is an untapped resource of significant proportions. In short, the task of building civil society primarily rests with its members and there is so much to do.

USAID has extensive experience in supporting developmental NGOs and business groups to increase dialogue among themselves concerning shared interests and common objectives, and between these groups and members of the state policy making apparatus. In some cases USAID has been facilitating informal contacts through workshops or seminars, and in others it has been providing direct assistance to NGO or business association networks. Increasing the number of fora or networks for dialogue and mediation, whether formal or informal, is probably one of the most important ways to increase interest group representation in policy making.

b) Strengthen Linkage Institutions: The Commissions of the National Assembly may prove to be valuable fora for expressing public views on important issues. A number of other state-linked agencies may emerge as logical points for dialogue between interest groups and the government. The desire of interest groups for regular dialogue was repeatedly expressed; support for such activities may be welcomed by the government and by interest groups.

The media are, at the moment, the primary vehicle for expressing public views and monitoring government performance; increasing professionalism and teaching business management would enable the media to survive, broaden their circulation and enhance their role.

Malagasy political parties are poorly developed, lack representative, mass-based constituencies, and have yet to master the practice of internal democracy. This limits their capacity to broaden participation in the policy process or to serve as channels for educating their members. There is an opportunity to provide a general service. Working with all interested party leaders and activists at both the national and local levels, perhaps within the framework of upcoming elections for local assemblies, could teach the skills political parties need while encouraging them to seek wider support and increased participation in self-governance. With all their flaws, Malagasy political parties are one of the few institutions that aggregate interests and that can mobilize significant numbers of people for civic action purposes.

c) Strengthen Democratic Disciplines and the Enabling Environment: To the extent that state institutions will be assisted, it is recommended that the focus be on (i) encouraging the understanding and acceptance of governance rules which define and limit the involvement of these institutions in the public realm; and (ii) increasing the capacity

of selected governmental agencies in the areas of policy reform (e.g., formulation and analysis) and improved governance performance, especially related to the allocation, management and oversight of public resources.

USAID support in this regard should, at a minimum, build on the considerable achievements that have been made in constructing a legal and regulatory environment that enables the productive sectors to do what they can do best, and ensure that the fundamental rights (e.g., expression, association, press) guaranteed in the constitution are further strengthened. This can be undertaken within the framework of the Mission's normal policy dialogue with government and embodied in the conditionalities which accompany most project activities, or through specific interventions which are built into these same projects targeting individual sectors, i.e., the environment, population, business and commercial reforms, etc, and that provide some capacity building assistance to achieve this.

Moving beyond the policy arena to more generic governance improvements entails costs, primarily those associated with institution building. Increasing accountability over the allocation, use and management of public resources would argue for strengthening those agencies within the state which are responsible for policy formulation and analysis and developing national budgets and monitoring state expenditures. Within the executive this could include the Prime Minister's office (e.g., policy formulation, analysis), the Inspection General de l'Etat (monitoring and oversight) and the Ministry of Finance and Budget and the Central Bank; within the Judiciary, the Administrative and Finance Chamber of the Constitutional Court (oversight and monitoring of the government expenditures); and in the National Assembly, the several policy commissions responsible for budget approval and initiating investigative commissions. Such support would be a function of identifying serious partners, USAID's comparative advantage in providing technical assistance and training in a given area, and of course, financial resource availability.

Decentralization is both conceptually appealing and a policy reform area that could have a tremendous impact on the consolidation of a system of democratic governance in Madagascar. For USAID to touch this area, however, would require a long-term commitment, a significant level of resources, and working on the assumption that the new decentralization legislation will actually be implemented. In short, it is far too early to consider tangible support. For the time being, USAID should continue to encourage government to stay the course, while supporting civil society's civic education programs that explain the implications of decentralization.

E. Specific Programmatic Recommendations (Near-Term Democratic Governance Activities)

Based on the presentation of near-term objectives outlined above, two options are proposed, each with a set of recommendations and actions that address both the pragmatic criteria and substantive conclusions discussed previously. These options could also be framed in terms of scenarios.

1. OPTION ONE: More Strategic Use of Small-Scale Democratic Governance Resources

The first option is to plan a coherent two to three year mission directed and largely mission funded DG activity adding \$200,00 to \$300,000 per year to existing DG commitments. In addition to activities already being under taken under the Democracy and Human Rights Fund (Sec. 116e) funded at approximately \$100,000 per year, and support for the media through USIS of another approximately \$100,000 per year, this activity would incorporate two new components.

The first new component would focus primarily on strengthening the institutional capacity of targeted civil society actors and linkage institutions through technical assistance, training and exchange programs. The second component would provide funding for a series of workshops, seminars and colloquia bringing together civil society actors to discuss common strategies for increasing participation in state governance and decision making; and bringing together state and civil society actors to exchange views and opinions on a range of policy reform issues. In addition, USAID would continue to engage the state on a range of policy issues through on-going dialogue and development and application of conditionalities.

Under Option One, AID's DG efforts in Madagascar could be given more coherence by concentrating all available funds strategically the target of deepening and broadening the base of civil society and linkage institutions, focussing on a limited number of critical demand and supply functions.

The following discussion elaborates on the strategy advocated for Option One.

(i) What Organizational Focus?

- Target support to a range of new actors including, in order of greatest priority on: (i) second tier specialized civic organizations based primarily in the capital; (ii) the branch offices of professional associations and business groups at the provincial level and particularly within the capital cities of the USAID's two high potential zones; and finally (iii) multipurpose or developmental NGOs interested in undertaking either policy advocacy or primary association civic education and capacity building within a sectoral context.
- Highest priority should be given to promoting the growth of NGO and civic organization networks and consortia that aggregate groups with similar interests, i.e., on a sectoral or functional basis; based on geographical location (e.g., on a regional or provincial basis); or that cut across sectoral and geographic interests and thus have a national level scope.
- A cautious but deliberate attempt would be made to assist the few existing mass-based, membership organizations such as labor unions, political parties and even the Boy Scouts;

and promoting the creation of new ones such as a federation of women's groups and of secondary school and university graduates.

- Finally, some thought should be given to assisting with the creation of membership organizations in the productive sectors. This would include promotion of agriculture producer associations and pre-cooperatives, credit unions, artisanal workers and informal sector micro enterprises and small businesses.

(ii) What Activities Should be Emphasized?

- Focus support for civic action interventions (and thus the NGOs and civic organizations that undertake them) in the areas of civic education and primary association capacity building; policy advocacy related to political, legal and economic reform; mediation and conflict resolution; and monitoring and oversight of government performance.
- Multipurpose NGOs, particularly those working within USAID sectoral programs and high potential zones, should be encouraged to strengthen linkages with member or client primary associations. The purpose of this focus would be to assist these groups improve their capacity for self-governance and to either directly undertake civic education activities or serve as a channel for more specialized civic organizations.

(iii) What Should the Specific Operational Focus of Support Be?

- The primary operational focus should be on capacity building.
- All capacity building assistance should be tied to specific activities, whether funded by USAID, other donors, or from the resources of the concerned civil society actor or linkage institution. While technical assistance, training and exchange programs are envisaged as being the principal forms of this assistance, consideration should be given on a case by case basis to supporting short-term staffing costs and equipment needs.
- Areas in which recipients capacity building assistance is required include: (i) technical areas such as lobbying and mediation skills; development of civic education materials and alternative or informal techniques for diffusion of messages; and increasing knowledge in a range of policy reform issues (e.g., economic reform, decentralization, judicial reform); and (ii) management areas including accounting and financial management; leadership training; proposal development; and monitoring and evaluation.

(iv) How Should this New Level of DG Activity Be Staffed?

- In order to manage the level of activities recommended under this option, it would be advisable to consider hiring a knowledgeable local hire PSC. Given the considerable responsibilities of the Head of the Office of Program Development and Assessment, it is unlikely that the increased coherence which is the aim of this option, could be achieved without someone to take over the day-to-day management of the recommended activities.

(v) **How Can AID Enhance the Effectiveness of this Relatively Small Program?**

- AID needs to consciously coordinate its DG activities with other donors. Given the magnitude of needs identified in this assessment, greater coordination and even an agreed upon division of labor among donors as to which organizations or activities will be supported is a major requirement. The primary donor involved in support of civil society are the Frederich Ebert Foundation, Swiss Cooperation, and the World Bank through its project. Frederich Ebert is working with labor unions, the media and in the field of civic education through CNOE. The Bank is primarily assisting the government to draft a new NGO law and is considering some form of assistance to the decentralization effort with a strong possibility of focussing at the communal level and below. The French were unclear as to what if any assistance would be provided to support civil society or the linkage institutions identified in this study as likely targets of assistance. They are likely to provide significant funding to the decentralization effort given their previous involvement in the drafting of the concerned legislation.
- AID needs to be a leader for the donor community in structuring regular consultations with civil society institutions.
- AID needs to use its opportunities for policy dialogue well to promote DG. There are a number of important policy areas that the government must still address which might be amenable to change through USAID's political dialogue with the government. We have noted the need for either an amendment to the current Associational law or new legislation altogether, to address the status of NGOs and self-governing local associations below the communal level. Particularly through its ongoing policy dialogue, the Mission should work to increase the amount of information that government Ministers and other agencies make available to the public in order to increase the capacity of civil society, including the press to monitor government performance better.
- In addition, AID needs to continue its efforts to convince the government to promote a more favorable regulatory environment of business, particularly on taxation policy, as a step in encouraging businesses in the informal sector to reenter the formal economy.

2. OPTION TWO: A New Multi-component D/G Project
(\$2-\$5 million 1994-1996)

This second option is for a modest stand-alone, multi-component D/G project, which would enable the mission to go beyond the activities outlined in Option One above. This project would provide the Mission with the means to undertake a set of important interventions and at the same time gauge the seriousness of the government's reform efforts over the next two to three years. If local conditions then warranted it, and funding were available, a more ambitious project could be undertaken that increasingly focussed on strengthening state institutions to increase the supply of democratic governance.

AID in Madagascar has already produced the outline of a stand-alone "shelf" project for support to the Media. It is premised on the notion of using information, education and communications (IEC) as cross-cutting theme common to all projects in the Mission's portfolio, and complementing this with a separate component targeting at technical support to the media.

It our recommendation that DG would also make a suitable cross-cutting theme. A new D/G project would incorporate the activities noted in the Option One, but would integrate them within a framework that increased internal synergies as well as those with other ongoing and planned projects. The objective of this project would be to provide a funding mechanism for strengthening the capacity of (i) civil society to undertake and participate more fully in governance functions, to build more extensive alliances for governance reform, and to interact more effectively with government; and (ii) linkage institutions to facilitate dialogue between the state and civil society, undertake mediation and conflict resolution functions, and serve to increase broad based participation in national level affairs through the dissemination of information and education. The following outlines the basic components of this new activity.

- (i) The creation of an autonomous new civic organization (the Forum for Civic Action and Education) with a board of directors composed of "notables" from the public, private and voluntary sectors of Malagasy society acting in personal rather than institutional capacities. Key donors in addition to USAID would also be asked to become board members, thus diffusing the profile of all, and more importantly, providing these other donors with a means to support democratic consolidation activities through their own financing contributions. Given the politicization of Malagasy political and social life, the Forum would be seen as an impartial, non-partisan force capable itself of serving as a neutral space within the Malagasy polity. The Forum would be responsible for managing the other component of the project as discussed below.
- (ii) The creation of a civic organization Resource Center catering to the needs of NGOs and the independent press and radio, particularly the newer and weaker organizations within these two institutions. The Center would provide common meeting, office and work spaces; logistical and administrative support (e.g., computers, fax, telephone and e-mail links; transportation; a data base on NGO and donor activities); and it would serve as the secretariat for the Forum in terms of a number of other activities discussed below. Fees for the Center's services would be paid by the users themselves or out of project funds which they obtain.
- (iii) Capacity building activities directed to improve the capabilities of NGOs and Media practitioners in a several different technical and management areas. Thus it would sponsor workshops and seminars on both generic issues (e.g., constitution and proposal writing, accounting and financial management, etc.) as well as tailor-made training activities covering such substantive areas as investigative journalism, public policy issues related to the environment, population and women's rights. Technical assistance would be provided by Malagasy organizations in both the private and non-profit sectors including the university systems. As a truly impartial body, the Forum could also target

non-partisan training to political parties.

- (iv) Sponsoring open forums either at its own facilities or encouraging other organizations to do so which bring together policy makers and members of civil society to discuss issues and share ideas on a wide range of matters.
- (v) Sponsoring non-partisan research and studies on a range of policy reform issues. Consideration could also be given to undertaking opinion polling on subjects of national concern, elections, etc. It might even serve as a revenue generating activity.
- (vi) Setting up a trust fund under the Forum (and administered by the Center) to respond to the changing needs and capabilities of civil society groups with a variety of forms of financial assistance. Such a grant fund would be able to finance capacity building needs of civic organizations and media organizations that they could undertake themselves rather than through the Resource Center. It would be the source for financing open forums and research and study activities as discussed above. In terms of civic action activities that individual organizations wanted to undertake the following provides an illustrative sample: training in the use of techniques such as dramatization and role-playing to make civic education more effective; programs which simply permit grassroots activists such as university graduates to share experiences on various issues; voter education and testing constitutional and legal rights including grants to assist in litigating specific national interest cases; supporting an NGO which might want to serve as a catalyst in the re-emergence of a cooperative movement, providing seed money to assist the emergence of a rural community radio station, etc. The criteria employed to decide on individual grants would have to be carefully crafted to reflect linkage objectives, flexibility and relevance to governance, and should in most cases require matching funds from the recipient organization.

ANNEX I

Individuals and Organizations Contacted

Individuals and Organizations

(Note: The author regrets any errors in the spelling of proper names taken in the course of interviews.)

Ahmad, Directeur d'Intervention pour le Developpement Social, Secretariat d'etat a la Population

Andreas, Monique, Directeur des Appuis aux Structures Decentralisees, Ministere des Finances et du budget

Andriamaholison, Richard, National Assembly

Andriamandrainingirina, Stephane, Secretaire General du Ministere de la Promote l'Industrie

Andriambahiny, Victorine, Presidente, FI.KRI.ZA.MA.-Y.M.C.A.

Andriamiarisatrana, Florette, Presidente, Femmes Entrepreneurs de Madagascar (FEM)

Andrianarisata, Olivier Sylvere, Directeur des Etudes, de la Legislation et de la Documentation, Ministere de l'Interieur et de la Decentralisation

Andrianjatovo, Joseph, Professor, Le Depute, Circonscription d'IVOHIBE, Assemblée Nationale

Andrianoelison, Jose, CERES

Andrianparany, Marius, Chef de Departement, Relations publiques

Andriantsitohaina, Charles, President, Groupement des Entreprises Malgaches (GEM)

Aro, Akon'ny, Journaliste, Assurances ARO

Corrao, John C., Directeur du Programme Madagascar, Catholic Relief Services

David, Andre Silamo, Secretaire General, Sendika Kristiana Malagasy (S.E.K.R.I.MA)

Davis, Christopher R., Foreign Service Officer, Department of State

Esoavelomandroso, Manasee, President de la Commission des Affaires, Etrangeres et Relations Internationales, Assemblée Nationale

Femmes Artisanes de Madagascar (FAM)

Groupement des Entrepreneurs de Madagascar/Syndicate des Industries de Madagascar (GEM/SIM)

Lininy, M., President de la Commission Juridique, Reglement de la Constitution et de la Legislation, Assemblee Nationale

Metcalf, C.P.C., Representant Resident du PNUD et Coordinnateur des Activites Operationnelles du Systeme des Nations Unies, Programme des Nations Unies pour le Developpement

Monnerville, Parfaite P.Y., Conseiller, Delegation de la Commission des Communautes Europeennes

Pera, Philippe, Membre du Bureau Executif du Front Syndical Malagasy (FSM)

Rabakoarivelo, Violette, Presidente, COMODE

Rabemananjara, P., Membre du Bureau Executif du Front Syndical Malagasy (FSM)

Rabemanantsoa, Rami, Comite National d'Observation des Elections (CNOE)

Rabenirainy, Olga, Presidente de l'Association des femmes journalistes, Responsable BANJINA (Television Malagasy)

Rabenoro, Mireille Rajaonson, Directeur de la Condition de la Femme, de l'Enfance et de la Famille, Secretariat d'Etat a la Population

Rabevohitra, Jean Gerard, Professeur INSCAE, Depute de Madagascar, President de la Commission des Finances, Assemblee Nationale

Radaniarisoa, M., President, Groupement des operateurs economiques de Fianarantsoa (GROUPE EFIA)

Rahaingo-Razafimbelo, Marcelline, Chef de Departement "Service aux Utilisateurs", Centre d'Information et de Documentation Scientifique et Technique

Rahanivoson, Roselyne, Secetaire au Fonds Monetaire International and Comite National d'Observation des Elections (CNOE)

Raharinirivo, Maria Nirina, Secetaire General de l'Association des Femmes Juristes pour la Primaute du Droit

Rajaofara, Haingo, Coordonnateur, COMODE

Rajaonah, Alice Randraza, President de la Formation de Controle, Cour Supreme

Rajaonah, Richard, Directeur General, Centre de Formation des Cadres

Rakotoanosy, Maurice, Directeur, S.E.C.M.O. Madagascar, B.E.T. Ingenieur Conseil

Rakotoarisoa, Jean-Eric, Directeur de la Redaction, DMD

Rakotobe, Thomas, Vice President du Firaisamben'ny Sendika Malagasy (FISEMA)

Rakotomalala, Jacques, Head of Bar Association

Rakotonavalona, Berojo Rivo, Membre du Bureau Executif, Firaisamben'ny Sendika Malagasy (FISEMA)

Rakotondrainibe, Aime, Ph.D., Depute de Madagascar, President de la Commission des Infrastructures et Communications, Assemblée Nationale

Rakotondrazaka, Leonard, Directeur, Agronome, FJKM Developpement

Rakotoniaina, Jean Jacques, President, Fivondronan'ny Mpandraharaha Malagasy, FIV.MPA.MA, Directeur General Societe le Carat (Pierres precieuses)

Rakotonirainy, Germain, Political Strategist

Rakotonirainy, Josoa, Pasteur, Secretaire General, Conseil Chretien des Eglises a Madagascar

Rakotomalala, Jacques, Batonnier de l'Ordre des Avocats

Rakoto Sata, Henri, President, Cadres et Entrepreneurs de Madagascar (CEM)

Rakotovao, Marcel, President, Union des artisans de Madagascar (UAMA)

Rakotovao, Raymond, Justice et paix

Ralalaso, Irene, Avocat au Barreau de Madagascar, Membre du Conseil de l'Ordre, President de l'Association des Jeunes Avocats de Madagascar

Ralijaona, Desire, President, Fivondronan'ny Mpandraharaha Malagasy (FIV.MPA.MA)

Ralison, Andriamaniraka, Depute, President de la Commission pour le Developpement, Rural et l'Environnement, Assemblée Nationale

Ramaholimihaso, Madeleine, President, Association pour la promotion des entreprises a Madagascar (APEM) and Comite National d'Observation des Elections (CNOE)

Ramamonjisoa, Suzy, Presidente, Femmes et Developpement

Ramandimbilahatra, Raymond A., Directeur de Cabinet pres l'Assemblee Nationale

Ramaromisa, Jean, President, Federation des chambres de commerce de Madagascar

Ramarosaona, James, Journaliste, President de l'Association libre des journalistes Malgaches, Madagascar Tribune

Ramaroson, Andre, President, Conseil National Economique et Social du secteur prive (CONECS)

Ramarozaka, Marguerite, Directeur des Collectivites Territoriales et Decentralisees, Ministere de l'Interieur et de la Decentralisation

Randranto, Andre, Bar Association

Randriampandrisson, Monique, President, Groupement des Operateurs Economiques de Mahajanga - Nouveau Style (GO-MAN)

Randrianarivelo, Benjamina M., General Manager, RINDRA, Cabinet d'Audit et de Conseil

Ranoasy, Charles Bien-Aime, Mouvement Intersyndical Malagasy (MIM)

Ranohisoa, Seth, Directeur General, Commandeur de l'Ordre National, SORANOF and President Directeur General, Madagascar Motors

Raondry, Longin Dieudonne, Directeur General de la Decentralisation, Ministere de l'Interieur et de la Decentralisation

Rasamoelina, Henri, National Assembly

Rasamimanana, Olga, Ingeieur, Conseil

Rasendratisirofo, Elyett, Conseiller aupres du Premier Ministre, PRIMATURE

Rasolo, Andre, Academia

Ratsimandrava, Juliette

Raveloson, Constant, Tolon'ny Mpiasa Malagasy (TM)

Ravoavý, Michel, Secrétaire Général du Fiarah-Miasa Foibe Sendikaly (FFS)

Razafimaharo, Jean Gabriel, Directeur, Orimbato Mpampiroborobo ny Kojakojan'ala

Razafimandimby, Edmond, Président, Groupement Régional d'Opérateurs à Fianarantsoa (SOA-FIANATRA)

Razafimandimby, Jean Chrisostome, Président de la confédération, Sendika Kristiana Malagasy (S.E.K.R.I.MA)

Razafimbelo, Lily, Fanabeazana Olom-Pirenena, Education des Citoyens

Razafimbelo, Marcelline, Comité National d'Observation des Elections (CNOE)

Razafindrakoto, Armand, Directeur Général du Plan, Ministère de l'Economie du Plan, et du Redressement Social

Razafindramiandra, Honore, former HAE co-President

Razafindratsima, Gilbert, Président, Association des petites et moyennes entreprises de Madagascar (APMEM)

Razafintsalama, Adolphe, Christian Council of Churches (FFKM)

Razakaboana, Rakotovao, National Assembly

Razanamasy, Guy, Pharmacien, Président Directeur Général, La Coopération Pharmaceutique Seybold, Hans, Représentant Permanent, Fondation Friedrich Ebert

Razanatseheno, Henri, Président, Chambre de Commerce d'Antananari

Roger, Ralison, HVR, Ambohidahy

Seybold, Hans, Représentant Permanent, Fondation Friedrich Ebert

Silamo, David Andre

Zafimahova, Sergi, Directeur of President of Cabinet

Zahner, Philippe, Dr. Sc. Techn., Coordinateur de la Coopération Suisse au développement en République Démocratique de Madagascar