



Making Governments More Accountable: the Impact of Civil Society Budget Analysis and Monitoring

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In the long history of the nation-state, keeping those in leadership positions accountable to the country and its citizens has been one of the most intractable problems of governance. It is widely agreed that effective and democratic government is impossible without transparency and accountability: without transparency, citizen participation is inherently less well informed and less effective; without accountability, those in positions of power can safely ignore the will of the people.

However, this common understanding is undermined when leaders and governments pursue private agendas or have self-interested notions of how to achieve effective governance. For example, many professionals in government believe their work is too complicated for the public to fully understand and reject what they see as unneeded interference. In doing so, they keep basic information from the public and diminish the quality of citizen participation in governance. Others, often elected officials in positions of power, seek to reward friends and allies behind a cloak of secrecy, thereby making government less efficient and accountable.

This conflict among competing understandings of the legitimate use of position and power has been at the heart of struggles for republican forms of government that would make citizens sovereign rather than a royal family, religious elites, or even technocrats. It has also been one of the central puzzles for modern democracies, where reforms have created auditors-general, parliamentary accounts committees, general accounting offices, anti-corruption agencies, and other offices that are supposed to protect broader national interests against the self-seeking actions of those in power.

Yet even as these oversight bodies have grown in number and sophistication, much more could be done to make government operations more transparent, to foster accountability among government officials, and to empower citizens so they might more fully participate in governance. While these are daunting tasks, recent researchⁱ shows that a handful of civil society organizations have taken up these challenges and developed new forms of citizen oversight that complement the work of government bodies. In the process they are making governments in general more accountable. They are also empowering citizens to engage in more effective forms of advocacy and thereby make governments more responsive.

The research demonstrates the myriad ways in which civil society organizations can contribute to better, more democratic, and more participatory styles of government – in both emerging and well-established democracies.ⁱⁱ This Budget Brief focuses on what can be accomplished when civil society takes up the fight to make governments more accountable; it highlights the innovative techniques developed by leading civil society organizations in several developing countries.

For example, the Uganda Debt Network has implemented new forms of citizen oversight that combat corruption at the local level, IBASE in Brazil has demonstrated what can be gained when civil society raises public awareness and works for greater budget transparency, and DISHA in India has shown how disadvantaged sectors of society can lobby government to be more responsive. Each of these critical lines of work can be better understood if we explore in more detail the experience and impact of individual civil society budget organizations.

The Struggle against Corruption and Its Contribution to Government Accountability

Virtually every organization in the International Budget Project network contributes directly or indirectly to campaigns against government corruption and in this way makes government more accountable to the public. Most typically, struggles against government corruption deal with irregularities in how government funds are spent. They require the ability both to interpret government budgets and to oversee how projects and programs are implemented. They also require that civil society stake a claim to territory that corrupt government leaders seek to deny to the public; that is, the right to challenge wrong-doing by those in positions of authority. In many places, staking a claim to this territory is a new and risky business.

Among the best known and most innovative approaches to fighting local corruption is that of the Uganda Debt Network (UDN). Since its early days working for debt relief, UDN has developed from a network of interested organizations and individuals into a non-governmental organization that now conducts extensive budget analysis and advocacy, as well as anti-corruption activities. Uganda is a decentralized, emerging democracy with very high levels of poverty and international indebtedness; because of its decentralization, large portions of the government budget and international assistance are dispersed by local authorities. Keeping track of this spending and ensuring that it is not diverted would be a challenge even for governments with stronger legal systems and oversight institutions.

To complement national and international oversight efforts by government bodies, UDN developed the Community-Based Monitoring and Evaluation System (CBMES). The idea was to delegate monitoring responsibility to non-governmental, community-based individuals and to promote local dialogue around problems that could be solved at the local level.

For example, if community monitors found that certain teachers or nurses were not doing their job properly (not showing up for work, asking for money inappropriately, and so on), the community could discuss the problem with village authorities, and the individuals responsible could be reprimanded or transferred. Or, if monitors found that the materials used to construct classrooms did not conform to the relevant specifications, the problem could be brought to the attention of the district authorities responsible for dealing with the contractor.

This led to the creation of committees at the village, sub-county, and district levels to gather submissions and representations from lower levels and engage in dialogue about relevant issues at each level. CBMES monitors have documented countless problems, such as poorly constructed medical and education infrastructure, the absence of drugs from health units, arrogant attitudes by local civil servants, absenteeism among government employees, and irregular school inspections. The oversight activities culminate in district dialogues that have been happening on average once a year, during which UDN monitors present their findings to district authorities, including senior civil servants and local politicians, while demanding concrete responses.

CBMES has produced concrete gains in exposing violations of the law, the misuse of government funds, and sub-par performance by government employees. The exposure of these concerns has led to greater transparency in government budgeting and operations. It has also improved the delivery of local government services.

The worldwide trend towards a more decentralized delivery of public services, such as that being carried out in Uganda, is about two decades old. The accumulation of experience over this period of time has led some critics of decentralization to argue, often with good evidence, that it tends to empower local political elites, can be a significant new source of local corruption, and creates administrative nightmares for national officials responsible for the oversight of local civil servants.ⁱⁱⁱ

UDN's experience strongly suggests answers to several of these problems. Civil society groups like UDN can work in partnership with local communities to provide the oversight of local officials that contributes to good governance. The civil society group can bring budget information and analytical skills to the local communities engaged in oversight, and together they can reduce both the oversight costs for the national government and losses due to local corruption.

Citizens working in concert with honest, effective government officials at all levels make the project initiated by UDN an example of good governance. While the scope of UDN's work is limited, the initial successes point to the potential inherent in this enhanced citizen oversight of local governments. If this work could be replicated more broadly and the experience deepened, it should contribute to gains in good governance that could help lead ultimately to greater political stability, more efficient and effective delivery of government services, and the empowerment of citizens. These gains are worth emphasizing even if the project does not have the capacity to tackle larger and higher-level problems of corruption. Strengthening the hand of reformists within government and creating empowered citizens are two of the necessary building blocks for any future national campaign against large-scale corruption.

Promoting Government Accountability Through Citizen Education and Engagement

An IBP member organization that is focused even more than UDN on citizen education and engagement is IBASE — the Brazilian Institute for Social and Economic Analysis. For IBASE, making budgets more transparent (that is, more accessible to the public and better understood by the average citizen) contributes in many ways to the capacity of voters to hold their government accountable.

Opinion and practices vary within the membership of the IBP as to how civil society budget groups can best contribute to the goal of greater transparency. Some choose to participate in campaigns, coalitions, and social movements that use budget analysis for social change. Others take a less direct approach and assert that by promoting budget transparency, they can enable other civil society organizations to use that information in campaigns of their own design to build more effective and participatory democracies. The latter approach emphasizes the long-term development of citizen participation over the short-term gains that might be achieved by focusing on individual policy issues or campaigns. IBASE is one of the groups most successful at making budgets transparent while using this more indirect approach.

In its budget work, IBASE: (a) serves as a catalyst for networks and coalitions; (b) builds the capacity of other civil society actors; and (c) promotes access to information as a key element of democratization. In line with these three guiding principles, IBASE's budget work focuses almost exclusively on general or long-term analysis of budget issues, rather than on specific budget-cycle analysis or analysis tied to specific efforts at policy change. IBASE conducts myriad forms of public education, but three of the most innovative and significant are its analysis of the National Social and Economic Development Bank (BNDES), targeted capacity building, and its new distance learning program.

IBASE recently began producing an "e-bulletin" on the policies and projects of BNDES, a huge institution with an annual budget larger than the World Bank's global lending portfolio. The e-bulletin has already tackled a number of topics, such as the investment choices made by BNDES and their potential impact on social and

economic development, the transparency of decision-making within BNDES, and the lack of public access to relevant information on its operations. Analysis in the e-bulletins reflects a broad public policy perspective, and budget data are used only to clarify or support the main arguments.

Reflecting its strong focus on capacity building, IBASE has developed a variety of training activities related to budget awareness and monitoring. One of its main modules, “Mayor for a Day,” is an introductory program aimed at the general public. It focuses on general topics such as politics and institutions, citizenship and participation, and the basics of budget-making, linking personal experience with public policies at the municipal level. Participants are asked to formulate a basic municipal budget by pretending that they are the mayor of a small town, responding to pressures from different constituencies and complying with federal regulations.

Another important IBASE module, “Deciphering the Budget,” is a more in-depth program designed to enable social leaders to engage in budget advocacy and monitoring; it explores ways to access information on municipal budgets, interpret them, and lobby local officials on specific issues. Both of these modules are constantly revised and updated.

In recent years, much of IBASE’s capacity building has been targeted at the media, with some 40-50 journalists from local and national newspapers, radio, and television networks participating in courses on general budget issues, the national finance law, and the policies and projects promoted by BNDES.

Beginning in 2002, IBASE transformed the training modules described above into online distance learning packages that allow people across Brazil to participate in an in-depth budget training via the Internet. More than 350 people participate each year. The modules are designed to be very easily understood and to relate to people’s everyday lives. In this sense, they are aimed at local groups across Brazil that not only are interested in knowing more about budgets and public policies, but also have a possible interest in finding ways to influence policy-making at the local level.

IBASE’s work has the potential to contribute to a diverse set of campaigns for reform in Brazil; the group is filling a role that has been found to be critical elsewhere in the world. In a research project that John Gaventa of the Institute for Development Studies and I have been coordinating over the last two years, our colleagues have written case studies of eight civil society campaigns for reforms in national government policy or improvements in programme implementation.^{iv} These range from the Treatment Action Campaign’s demand for broader access in South Africa to anti-retroviral medicines for those living with AIDS, to the campaign for legal reforms in Turkey that would broaden women’s rights, to civil society collaboration with government agencies in the Philippines to improve the implementation of agrarian reform, and to efforts in Chile to improve the status of children.

Several lessons from these eight case studies help to illuminate the significance of IBASE’s work. We found that every successful civil society campaign for national reform has been a long struggle, often taking as much as 20 years of public education, coalition building, and advocacy. In most cases, technical specialists — including budget and policy analysts — played a pivotal role in helping to make civil society’s demands more legitimate in the eyes of government officials, the public, and the media. Similarly, nearly every successful campaign relied at some point on budget and policy analysts to assist in negotiations when the government finally sat down with civil society to design reforms.

IBASE’s work on public education relating to the budget is thus of special significance for broader civil society reform movements and helps explain why many of the observers interviewed as part of a recent case study of IBASE’s work agreed that “IBASE’s long term educational and participatory work on budgets has broadly expanded awareness of budget issues and has opened the door to a variety of civil society advocacy efforts.” The case

study added: “These same observers also argue that, through its educational efforts to demystify budget issues, IBASE’s work has contributed to a broader cultural shift in Brazil in which budgets are now an issue of public involvement and concern.”^v

Making government decision-making more democratic and expanding the range of government policies that are open for public scrutiny and participation can only make governments more democratic and responsive to the demands of civil society. This is precisely what IBASE has accomplished. Its success is a clear example of how an NGO, even while taking a more indirect approach, can make a significant contribution to overall levels of citizen participation, transparency, and accountability.^{vi}

Citizen Engagement and Government Accountability

For many civil society groups, budget work is part of a broader set of activities. For example in South Africa, the Budget Information Service is a separate unit within the Institute for Democracy in South Africa (IDASA). IDASA engages in policy analysis, capacity building, and advocacy aimed at deepening the practice of democracy in South Africa and across the entire continent. At IDASA, budget work contributes to the organizational goal of strengthening citizen engagement with government and making government more accountable to citizens.

Another way of combining budget work with other forms of social activism is shown by DISHA (Developing Initiatives for Human and Social Interaction) in India. Based in the western state of Gujarat, DISHA was founded in 1985 as a social movement dedicated to the political and economic empowerment of the poorest citizens, predominantly in the eastern tribal belt.

From its establishment, DISHA has sought to mobilize tribals and dalits^{vii} to demand their rights by ensuring that state governments adhere to their constitutional mandate of providing resources and services to the most marginalized communities. It is a social movement that focuses on changing power relations and seeks greater access to land and natural resources for the disadvantaged.

DISHA’s initial budget work focused on providing data and analysis in support of the struggles of laborers and forest dwellers. DISHA analyzed the allocation and use of government budgets earmarked for tribals through the Tribal Sub-Plan, which is allocated a proportion of line department budgets for tribal communities based on their share of the population. To prepare for this analysis, DISHA expended considerable effort to locate and secure budget data and develop an understanding of the budget process.

DISHA uses the results of its analysis to advocate for changes in government budget priorities in favor of disadvantaged groups, with a particular focus on tribals and agricultural labor. DISHA also engages in capacity building on budget work, through workshops for NGOs and training events for elected representatives in local councils. DISHA seeks to increase awareness of the importance of budget issues through training events for chairpersons of the local councils to provide them with better information about locally available resources.

Unfortunately, the Gujarat state government continues to evade its responsibility to improve transparency and enable disadvantaged sectors of society to engage more fully in governance. Yet DISHA has achieved what might be considered a second-best outcome: it makes the government’s budget much more accessible to the public and fosters more informed budget deliberations within government. While it would be better if governments provided this information itself, DISHA is providing a valuable service.

Further, DISHA's work contributes to citizen activism. As a recent case study concluded:

DISHA's pioneering approach to budget work in which systematic analysis feeds into social activism and mass mobilization has been influential in Gujarat and elsewhere in India. Its decision to focus its work on providing budget data and analysis to legislators, the media, and NGOs has proved effective in a context where the government does not favor right to information legislation and hampers the operations of independent organizations that are committed to deepening accountability and transparency.^{viii}

Conclusion

The work described here encompasses several very significant breakthroughs by civil society organizations to promote citizen participation in governance, along with government accountability and transparency. What makes these accomplishments all the more impressive is that this work is of recent origin: none of the budget analysis and advocacy carried out by the members of the International Budget Project goes back more than about ten years.

Many other members of the IBP network are even younger and are just beginning efforts to replicate the success of the more experienced NGOs. These younger organizations will need time, international exposure, and generous support to build the experience and expertise necessary to create their own track record.

Also worthy of note, these breakthroughs have been achieved in settings that range from fragile democracies with weak governments to countries with long democratic histories and strong institutions. Some of the NGOs are deeply embedded in social movements with activist traditions, while others have taken a more indirect approach that emphasizes professional policy analysis and public education. What is important is that NGOs and their allies find approaches that are appropriate for the specific time and country setting in which they work.

Finally, as donors and analysts around the world devote more attention and resources to problems of governance, it is worth remembering that *governance* cannot be reduced simply to *government*. Governments around the world — in developed, transitional, and developing countries alike — frequently fall victim to corruption. Even when equipped with the best of intentions, many find it hard to operate in a transparent fashion that makes citizen oversight possible.

While the design of new government institutions or the creation of donor-driven programs to build government capacity can help, another lesson can be derived from the civil society work on budget analysis and monitoring. The most significant, long-term impact of the examples above (and of civil society work on budgets more broadly) may lie in improving governance.

The examples provide concrete evidence that NGOs engaged in budget analysis, public education, and advocacy can work hand-in-hand with citizens, social movements, and community-based organizations to reduce oversight costs, help eliminate corruption, empower disadvantaged sectors of society to participate, and make the operations of government more transparent. The challenge for civil society budget organizations will be to participate in, and to help construct, coalitions that combine the skills necessary for successful reform campaigns.

Organizations that focus exclusively on budget analysis cannot win these battles on their own. For donors and those from the academic world, one of the most important lessons to take away from the experience of the organizations engaged in budget analysis and advocacy is that focusing just on government overlooks the very real contributions that civil society has made to good governance.

Endnotes

ⁱ In 2005 and 2006 the International Budget Project and the Institute for Development Studies jointly conducted case studies of six civil society budget groups. The case studies are available at www.internationalbudget.org.

ⁱⁱ For the broader implications of civil society budget work, see Mark Robinson, "Budget Analysis and Policy Advocacy: The Role of Non-governmental Public Action," Working Paper 279, Institute of Development Studies (September, 2006), and Paolo de Renzio and Warren Krafchik, "Lessons from the Field: The Impact of Civil Society Budget Analysis and Advocacy in Six Countries," www.internationalbudget.org/PractitionersGuide.pdf.

ⁱⁱⁱ For an early review of USAID's support of decentralization, see: Harry Blair, "Participation and Accountability at the Periphery: Democratic Local Governance in Six Countries," *World Development*, 28(1), 21-39. The World Bank discusses its experience with and approach to decentralization in a range of publications, including James Manor, *The Political Economy of Democratic Decentralization* (Washington, D.C.: The World Bank, 1999); and *World Development Report 2004: Making Services Work for Poor People* (New York: Oxford University Press). The UNDP has collated other useful information at: <http://www.undp.org/governance/decentralization.htm>.

^{iv} The case studies are being finalized and will soon be available on the IDS website www.ids.ac.uk.

^v Paolo de Renzio and Jim Shultz, "Budget Work and Democracy Building: The Case of IBASE in Brazil," www.internationalbudget.org/Brazil-IBASE.pdf; quotation at page 21.

^{vi} Similar gains using this approach have been achieved by the Institute for Public Finance in Croatia. See: Albert van Zyl and Jim Shultz, "Croatia and the Institute for Public Finance: Budget Work in a Transitional Democracy," <http://www.internationalbudget.org/Croatia-IPF.pdf>.

^{vii} Dalits, the Scheduled Castes in the Indian Constitution, are the former "untouchables" in the caste hierarchy; tribals are indigenous peoples of India with distinct cultural and social practices.

^{viii} Laura Malajovich and Mark Robinson, "Budget Analysis and Social Activism: The Case of DISHA in Gujarat, India," www.internationalbudget.org/India-DISHA.pdf; quotation at page 27.