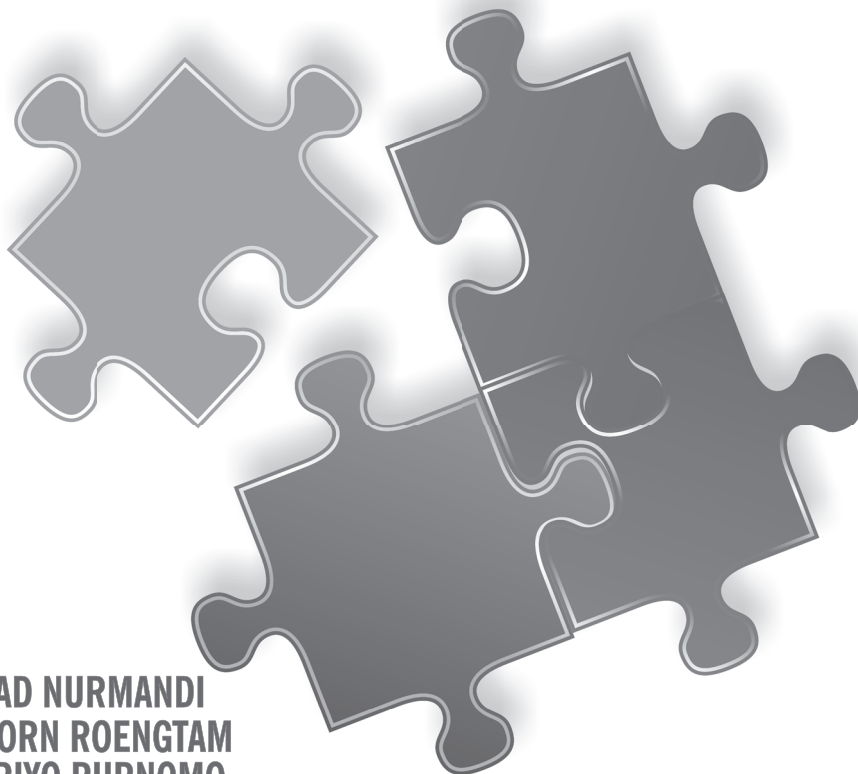# CITIZEN PARTICIPATION

IN SELECTED LOCAL GOVERNANCE OF ASIA PACIFIC COUNTRIES

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Preface

This book develops a better theoretical understanding of the linkage between the process and result within the government dealing with public participation. The prospects of balancing democracy's goals are at the points how bureaucracy focusing on efficiency and expertise and then it should inline with openness and public inclusion. Understanding these discourses has been become increasingly important as many scholars concern a wide range of citizen participation opportunity to more stimulus of public administration (Daniel Lathrop 2010; Spiraki and Nikolopoulos 2010). The mechanism and procedures on Government should be managed on a good way or we called it as Governance. Therefore, this book stresses the continuing importance of the citizen participation towards the local governance.

This book series not only reviews the literatures on citizen participation but also provides the selected cases of the citizen participation in Asia Pacific countries. Each chapter shows enormous evidence and lesson learned how many types of citizen participation move from a direct participation to indirect participation and transforms from traditional to be a virtually participation model. In the chapter one, it shows that the role of NGOs in governmental affairs as the bad governance existing in Bangladesh. This chapter explains the relationship between the NGOs and Government particularly how the NGOs can influence the government policy and support the good governance. We can find several types of the relationship of them and its relation benefits to the local participation.

Besides, the second chapter describes that the method of public participation can be formed such as public consultation, policy deliberation, public engagement, controlling and other public engagement. However, those models have been already changed from traditional approach to virtually approach. The citizen participation on local governance issues is using the Internet. In Indonesia cases, we can learn how the citizen complaining about the government policy,

campaigning the idea and monitoring the local governance processes by using Social Media such as Facebook and Tweeter.

There are six selected local governments in Malaysia would be explored in the Chapter three. Interestingly, the agenda for public participation has been introduced and pushed by the Local authorities in Malaysia. However, the bureaucracy in Malaysia is still complex due to lack of public participation and the absence of a transparent method for public participation and consultation. Therefore, by reducing complex bureaucratic procedures is one of the main results of this chapter.

Transparency and openness of bureaucracy are essentials in the way of Governance process. In many cases, those ideas are quite difficult to be implemented and executed by the local governments. Chapter four explores the budgeting processes from the budget preparation step to, Budget Authorization, Budget Review, Budget Execution, and the last step is Budget Accountability in the city of Tagum, the Philippines. The authors suggest that the local government need to reform and innovate in their budgetary system because their system is still less transparent and participative.

The wave of Thai decentralization reforms mostly initiated at the stage of fiscal decentralization initiative. The Chapter five criticizes the decentralization procedure in Thailand especially how the local government not only providing public services but also supporting local participation. There are three phases should be followed in order to build those ideas which are organization and administration, duties and responsibilities, and public participation mechanism.

Civil society is so limited for demanding the government policy in Vietnam. The Chapter six examines how participation can involve directly in the local governance system. There are interesting cases that many decisions and development projects and programs remained being built based on a top-down approach without consultation with local people. However, the economic freedom generating income for peoples is meaningless while there is not widening their social opportunities and enhancing their bargaining powers in political process.

The last chapter states clearly that the prominently lacking in local politics in Korea is a viable civil society-based opposition to existing patronage/clientilist networks. In the national contexts the patronage is so heavily affecting the politics but in the local context it is less powerful. Local civil society can perform crucial roles in enhancing the quality of local democracy. In other words, the complexity of the problems of citizen participation and local governance draw very well and the shorted it out those problems in this book based on the local contexts but it has a global view. In conclusion, this book is recommended for scholars, practitioners

and students who want to learn and understand the citizen participation in local contexts and in the contemporary period.

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The Editors
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NGO and Citizen Participation in Bangladesh

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Introduction

In recent years, remarkable growth and rise of the Non-Governmental Organizations (NGOs) in poverty alleviation in developing world have changed the discourse of public administration, governance and international development. The role of NGO has increased immensely in most developing countries and thus gained more fame in comparison with public institutions (Haque 2002). Despite a huge amount of foreign aid and consultation and many reform initiatives, the local governance of the developing world remains weak, context less, poor, incapable and corrupted. It has been repeatedly argued that with the existing context-less framework of governance, poor nations would not be able to overcome the bad features of their poor governance. On the other hand, despite all inherited limitations, the NGOs are doing well and have gained more reputation in comparison with public institutions. The irony is that "while the scope of the public sector is being reduced, government spending is diminished, and state agencies are discredited, NGOs have proliferated, their membership has increased, and the assistance they receive from external agencies has multiplied. In fact, the local institutional linkages of government have been weakened by the growing networks of NGOs at the grassroots level" (Haque 2002, 412. As a result, NGOs activities have become influential in world affairs and emerged as an integral part of the institutional structure to address the problems of poverty, under-development, gender inequality, environmental conservation, disaster management, human rights and other social issues of developing world (Bhardwaj et al 2011).

The NGOs in Bangladesh played an important role in complementing the government efforts. Bangladesh is known to be a breeding ground for NGOs with a variety of origins, objectives, and agendas. It has been argued that the emergence of NGOs in Bangladesh is directly related to the failure of the governments to meet the hopes and aspirations of the people (Hasan et. al. 1992).

The World Bank (1991a, 1991b) claims that the NGOs and civil societies are more effective than the public institutions in reaching out to the rural poor. NGOs are not only reaching out to the poor more effectively, but also are able to deliver services and implement programmes more efficiently. In other words, the NGOs can both mobilize the poor as well as ensure their participation in the programme formulation and implementation better than the public institutions.

Unquestionably, the countries like Bangladesh, NGOs has emerged as an alternative actor of development and precisely recognized with major achievements in improving the welfare of the poor. The industry of micro-finance has its roots in Bangladesh with the Grameen Bank and enjoys international fame. Bangladesh is rich in NGOs and most of them are established with the framework of Grameen Model. The Grameen Model has been replicated in many countries due to its enormous success. In the recent past, in achieving vision-2021, the present ruling party assumes that the NGOs will put forward the development goals of the government and will work as the supplementary force of the government efforts.[1]

Anheier (1990) highlights this actor with social, economic, political, and cultural arguments for its comparative advantage for the developing world. Likewise, Brown (1988) argues that NGOs can also be taken as potentially critical catalysts for unlocking the energies and resources of the poor and voiceless, and for building pluralistic and democratic societies. As a result, international aid agencies repeatedly urge the closer relation between NGOs and government (Brinkerhoff 2002, Young 2000, Tvedt 2002, Clark 1995, Lillehammer 2003, Najam 2000). The most important fact is that it would really be difficult for both parties to ignore each other. A constructive and friendly relation between the government and NGOs is thus inevitable.

However, despite its growing role in poverty alleviation a formal relation between the government and NGOs has not yet been established in Bangladesh. Rather, in some cases, the relation between these two parties has been politically motivated since the independence. The paper intends to examine the relations between the government and NGOs i.e. what has happened during the last 40 years in Bangladesh and how they have seen to each other? We argue that a formal and long-lasting institutional relationship between the government and NGOs is inevitable in order to alleviate colossal poverty and reduce massive corruption in one hand and to provide better services to the poor people on the other hand in Bangladesh. This paper is based on secondary information. Thus, the findings are presented through interpreting and reinterpreting the secondary data.

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[1] http://www.ngoab.gov.bd/Main.php?Id=47, accessed 27.01.2014

Nature of Government in Bangladesh: At a glance

Although Bangladesh has emerged as an independent state in 1971, it is an old country with a long recorded history dating back several thousand years. Before independence, it was a part of Pakistan (1947-1971) and known as East Pakistan. Prior to this, different parts of its territory had been under the British rule (1765-1947). Before the British rule, Mughal and other Muslim, Buddhist and Hindu rulers had taken over and ruled the present Bangladesh. Until 1971, Bangladesh was under Pakistani military rule (1958–71), an exploitative rule imposed by the military–bureaucratic oligarchy of Pakistan. Under this repressive system of governance, all forms of opposition politics and civil society groups were rigidly controlled. As a result, there was very little scope for NGO activities (Haque 2002).

Based on the historical development, the nature of the government of Bangladesh can be classified as authoritarian single party system, Military-Bureaucratic alliance and dictatorship, Care-taker government, political instability and conflict. Soon after the independence (1971-1975), the government introduced authoritarian rule through disbanding all other political parties and media and moved towards single party presidential system until its fall in 1975. There was a very limited scope for development of NGOs during this period.

From 1975 to 1990, this period is known as military dictatorship and military-bureaucratic alliance. During this time, two military dictators Major General Ziaur Rahman and General Hossain Mohammad Ershad ruled the country for 15 years and formed their own political parties known as Bangladesh Nationalist Party (BNP) and Jatiyo (National) Party. Ironically, "during this military rule, the number and activities of NGOs expanded considerably, which was largely due to the regime's efforts to enhance its legitimacy at the grassroots level, coopt and use large NGOs as substitutes for opposition political parties and, more importantly, respond to the emerging global trend toward greater NGO power since the early 1980s" (Haque 2002, 414).

The period from 1991 onwards is known as democratic regimes and there were five parliamentary elections. The BNP led by Khaleda Zia won 1991 and 2001 elections and Bangladesh Awami League led by Sheikh Hasina won 1996, 2009 and 2014 (controversial) elections. Although democratic process has begun since 1991, these regimes are widely characterized by political conflict and instability, strikes, demonstrations, boycotting parliaments, massive corruption and partisanship. However, it has been found that during this phase of democratization, the number and activities of NGOs have considerably increased in Bangladesh, which, once again, is in line with the current worldwide trend toward the proliferation of NGOs (Ibid).

NGOs-Government Relations: Points of Departure

The endless crisis of governance of the developing world has paved the way of introducing alternative approaches in solving the problems of governance of 21st century. In addition, globalization has considerably weakened traditional governance process. The 1990s witnessed a dramatic increase in the involvement of NGOs in global governance (Gemmill and Bamidele Izu 2002). NGO as an agent of change has already occupied a strong position to the current discourse of development. As Fisher (1998) maintained that increasing challenges in meeting sustainable development have…..opened up unprecedented opportunities for NGOs not just to replace governments but to protest against them, influence them, and collaborate with them- in short, to radically after the way that people in most of the world are governed.

Relations between NGOs and government refer to occurrences of interaction i.e. how they perceived each other and concrete activities in the NGOs-government interface. Farrington and Bebbington (1993) identified two major reasons that NGOs enter into relationships with the government. They are: *to improve the quality of their own voluntary works: and they initiate relations to influence political decisions and policies in favor of their general objectives.* Similarly, government creates political space in which NGOs operate (Jenkins 1995). In this perspective, three categories of political systems can be identified in order to define the relations between NGOs and government (Tandon 1989, Clark 1991, and Ferrington and Bebbington 1993). They are: *military dictatorship, single party-systems and liberal democratic system.* In the first two systems, NGOs activities are restricted and the relation between state and NGOs is politically guided.

Military dictatorship and single party systems are known as non-democratic. Under these political systems, the activities of NGOs are very restricted, controlled and politically motivated. On the other hand, liberal democratic system is considered as favorable for NGOs activities since it provides political space and room for maneuver. Ironically, the political history of Bangladesh went through these three systems. Although, the single party system did not last long, the military dictatorship rules the country for almost 15 years (1975-1990) of its 43 years history. Literally, the democratic governance begins in Bangladesh since 1991 which is known as liberal democratic system. Thus, the relations between NGOs and the government went through various matrixes over the last 43 years.

There are some other approaches/studies to analyze the relations between NGOs and the government. They are structural studies and policy oriented studies (Kohli 1991, Kothari 1990, Farrington and Lewis 1993, Heyzer et al. 1995). Structural studies placed NGOs into wider settings of state-society relations.

According to this approach, the emergence of NGOs is caused of declining of state authority and deteriorating political parties. NGOs proponents and IDAs are supporting this approach. Structural studies claim that volunteerism is one of the key factors for nation building of developing nations like Bangladesh. There is also assumption that effective cooperation on equal terms between these two parties would create synergetic outcomes i.e. their relationship is not a zero-sum game (Farrington and Lewis 1993, Heyzer et al. 1995). Synergy can be divided into such as complementarity and embeddedness and interrelatedness (Evans 1996). According to the complementarity responsibilities are shared between NGOs and the government while embeddedness means day to day interaction and norms and loyalties between NGOs and the government.

From the contexts of South Asian countries with special reference to Bangladesh, the relations between these two can be seen as fragile and dependent on the willingness of ruling parties and in some cases civil servants. Fragility of willingness is related to the patronage logic of relations. Importantly, willingness is based on personalized reasons and if anything disturbs this type of relation then NGOs will immediately be cut off from bureaucrats and others working inside the state apparatus (Holloway 1998).

Theoretical Notes on NGOs

NGO is a very popular concept and known by different names by different actors at the different places. Therefore, it is a difficult task to provide a straightforward or a general definition of NGO due to its varied roles, nature and the contexts it works. Nevertheless, as a concept, NGO comprises everything from a small grassroots traditional organization to the international organization, from rural to urban, with varying and diversified objectives and capacities which often make it difficult to demarcate the boundary of its area of functions and responsibilities (Dhakal 2006, 50). According to Tvedt (1998, 16) the concept NGO should be used as a *"common denominator, a collective term, for all organizations with in the aid channel that are institutionally separate from the state apparatus and are the non-profit-distributing. At the same time it is important to avoid the catch-all quality and the political flavor which past usage the channel, whether on political, institutional or value-based grounds"*.

Traditionally, the term 'NGO' means the philanthropic, altruistic, and charity based organization. However, due to the economic, social, political globalization, the meaning of NGO has been changed over the last two decades. In the current development discourse, NGOs are considered as the critical contributors to basic economic growth and to the broader civic infrastructure and

regarded as alternative development institutions (Fukuyama, 1995: OECD 1995: Putnam 1993). World Bank (1990) highlights NGOs as the institutions outside the public and private sectors whose goals are primarily value driven rather than profit driven. OECD possesses similar view. According to OECD, NGOs are the organizations established and governed by a group of private citizens for a stated philanthropic purpose and supported by voluntary individual contributions (OECD 1988).

In the recent economic turmoil of the welfare states, NGOs or mostly known as "third sector organizations (TSOs)" are treated as a remedy for the crisis of the welfare state. TSOs are seen to possess characteristics that have become increasingly attractive to public policy makers of the North. They are "providing services and care, mobilizing communities, helping to identify and solve new needs as well as old ones, campaigning for social change, focusing on the needs of service users, tackling complex needs and difficult social issues, being flexible and offering joined up services, capable of earning users' trust, promoting volunteering and mentoring, building stronger and connected communities and helping to transform services" (Billis 2010, 10).

Interpreting and reinterpreting the literatures, despite of its diversified nature, names and roles, NGOs can be seen as non-profit voluntary organizations run by the private people and which are not part of the state and involved in various development activities in general. However, in the perspective of Bangladesh, NGOs are not only known as value driven, they are also known as profit driven. The mission and vision of NGOs have shifted from charitable organizations to commercial organizations widely known as micro finance institutions during the last two decades. Palli Karma Shohayok Foundation (PKSF) becomes the mother organization of NGOs (micro finance industry of Bangladesh). As a result, it can be said that literally NGOs of Bangladesh are neither fully non-profit oriented nor profit oriented. They have both non-profit and profit characteristics.

Framework of NGO-Government Relations

Due to the increasing role of NGOs in development and as an agent of social change, the importance of relationship between NGOs and local government have become a paramount policy agenda of developing world. Regardless of its criticisms, NGOs are considered one of the key players of development process as they are providing essential services to the poor people (Clark 1995). The World Bank (1990) repetitively highlighted NGOs activities favorably with those of the state, and recommended the expansion of NGOs to supplement government efforts and provide for improvement in delivery of services through competition (White 1999, 308). As a result, the relationship between NGOs

and local government gets highest priority to the both national and international development communities.

However, the irony is that a firm theoretical and methodological framework of NGO and government relations has not yet been developed. More than a decade ago Seibel (1992) organizes the scholarship on NGO-government relations as emerging from three major perspectives: analysis of resources flows, of interorganizational interaction styles, and of comparative advantage (in Najam 2000, 6). Jennifer (1998) suggests eight points typology spectrum of relations that range from repression to rivalry to competition to contracting to third party government to cooperation to complementary to collaboration (in Najam 2000, 6). While Fisher (1998) proposes a more nuanced framework that ranges from government repression of NGOs, to ignoring them, to co-opting them, to taking advantage of them without trying to take control, to being genuinely collaborative and indulging in an autonomous partnership.

Brinkerhoff (2002) suggests NGOs and government relations through partnership framework. To him, the nature and scale of public service needs and challenges are impossible to address in isolation and their complexity and intransigence require multiple actors and resources to solve. He further emphasizes that this kind of partnership between NGOs and Government can provide a means of developing strategic direction and coordination in this context, affording a scale and integration of services that is impossible for any actor operation alone. Based on empirical experience and existing literature, Najam (2000, 7) recommends four possible combinations of NGO-local government relations: (1) seeking similar ends with similar means; (2) seeking dissimilar ends with dissimilar means; (3) seeking similar ends but preferring dissimilar means; and (4) preferring similar means but for dissimilar ends. He calls these dimensions as four C's of NGO-government relations: (1) cooperation; (2) confrontation; (3) complementary; and (4) co-option.

Clark (1995) emphasizes on some comprehensive principles by which government can influence NGOs activities and likewise NGOs can also influence the activities of government. The principle through which government can influence the activities of NGOs are: (1) nature and quality of government; (2) the legal framework; (3) taxation policies; (4) collaboration with NGOs; (5) public consultation and information; (6) coordination; and (7) official support. Similarly, he (1991) highlights some principles through which NGOs can influence main-stream development. They are: (1) encouraging official aid agencies and government ministries to adopt successful approaches developed within the voluntary sector; (2) educating and sensitizing the public as to their rights and entitlements under state programs; (3) attuning official programs to the public needs by acting as a conduit for public opinion and local experience; (4)

operational collaboration with official bodies; (5) influencing local development policies of national and international institutions; and (6) helping government and donors fashion a more effective development strategy through strengthening institutions, staff training and improving management capacity.

Dennis R. Young (2000, 150-151) suggests three alternative models for NGO and government relationship. They are: supplementary, complementary and adversarial. According to the supplementary model, NGOs are seen as fulfilling the demand for public goods left unsatisfied by government. Complementary model is opposite to the earlier one. It means NGOs are seen as partners to government, helping to carry out the delivery of public goods largely financed by government. In this case, NGOs and government expenditures have a direct relationship with one another. Adversarial model states that NGOs influence government to make changes in its public policy and to maintain accountability to the public. Reciprocally, government attempts to influence the behavior of NGOs by regulating its services and responding to its advocacy initiatives as well.

Thus, from the existing literature we found different strategies/models of NGO-government relations. Although, Bangladeshi NGOs gained international fame for their innovation of micro-credit, non-formal education, women empowerment and in delivering primary health care service, a formal framework of relationship between NGOs and government has not been established yet. Rather, the governments of Bangladesh have introduced some regulatory frameworks in order to control and ensure accountability of NGOs in different regimes.

Growth and Development of NGOs and its power in relation to government in Bangladesh

NGO is not a new phenomenon in the discourse of development. Voluntary organizations have a long history to assist the victims of wars and natural disaster and to provide welfare service to the poor (Begum 2000). Likewise, the genesis of NGOs in Bangladesh deeply rooted to the self-reliant village system (Gram Janapad). In the absence of welfare government and other external possibilities, people had to fulfill their collective desires, needs, aspirations which created an objective situation for non-governmental activities very often under the leadership of social elites. The need for collective life in general and that of the dominant sections of the society created an ideal situation for the growth of the non-governmental efforts in Bangladesh but religious spirit and cultural urges always play a vital role behind any philanthropic work in Bangladesh rural society.

Historically, local government institutions could have not been developed in Bangladesh. The public bureaucracy is institutionally quite unable to face the dynamics of underdevelopment and developmental needs of the country.

Inhuman sufferings of people and massive destruction of infrastructure and the backbone of economy of the country caused by the war of liberation in 1971 called for immediate relief and rehabilitation. The government had to face a task of renewal and reconstruction of the economy after the independent war. However, the government had neither the ability nor the appropriate institutional mechanism to address the volume and diversity of such enormous problems alone. This situation led in the emergence of a large number of national and international NGOs operation in Bangladesh. Thus, with other global socio-economic and political changes, certain specific conditions/factors are responsible in the emergence of NGOs in Bangladesh (Aminuzzaman and Begum 2000, 202-203). They are:

Tradition of Voluntary Activities: voluntarism is a long and historical tradition of the Indian Sub-Continent. By tradition it has become a part of culture and religion of the people of Bangladesh. Such traditional values and beliefs inflame people to work for underprivileged under a formal organization, which are now known as NGOs and some of them are the world largest NGO working across the world for example BRAC.

Dissatisfaction of Donor Agencies: another factor for fast growth of NGOs is the dissatisfaction of international donor agencies with the government institutions which are incompetent to reach to the people due to bureaucratic rigidity and hierarchy and corruption. As a result, local people do not trust the public institutions while NGOs have built friendly and trustworthy relations with the local people.

Unsuccessful Government Efforts: the growth of NGOs in Bangladesh is the result of the failure of the government to satisfy hope and aspirations of the people. Thus, NGO's have emerged as an integral part of the institutional structure for addressing poverty as well as rural development, gender equity, environmental conservation, disaster management, human rights and other social issues.

The development of NGOs in Bangladesh can be described under the framework of four generations (Korten 1987). These are:

First generation: The first generation NGO's are charitable, focused on welfare, rehabilitation and relief.

Second generation: Due to the limitations of the welfare and relief approach NGOs make a transition from relief and welfare oriented activities to developing self- reliance organizations of the poor, increasing their ability to meet their own needs and demands with the resources they control and undertake various multi-sectoral activities to promote their self-reliance and development.

Third generation: The third generation of NGO's stems from the re-examination of basic strategic issues relating to sustainability, import and recurrent cost recovery.

*Fourth generation***:** It entirely depends on the development phase of NGO's in realizing their vision of society characterized by strong people's movements. Therefore, even though NGOs started their journey with the motive of philanthropist, they have turned into one of the key actors of development in Bangladesh.

Although NGOs activities started from the very beginning of its independence, they have got formal acknowledgement since 1980. It has been found that from 1980 to July 2013 about 2252 NGOs have been formally registered by the government of Bangladesh and the registration of 502 NGOs has been cancelled due to multifarious allegations. The data shows that the trend of growth of NGOs has been increased since 1990 after ousting the military regime (see the following table).

Table 1.1. No. of NGOs registered from 1980 to July 2013

Period	No. of NGOs registered
1980 to 1989	249
1990 to 1999	809
2000 to 2009	916
2010 to July 2013	278
Total	**2252**

Source: www.ngoab.gov.bd/Files/NGO_LIST.pdf & www.ngoab.gov.bd/Files/CANCELLED_NGOs.pdf, accessed on 02.02.2014

The NGOs are not only mushrooming, they become a formidable force affecting the political and economic domains, especially the power and legitimacy of the government. Haque (2002, 419-421) identified several indicators that the power of NGOs has increased in relation to government. They are:

- Takeover some of the basic activities that used to be performed by various state agencies. Large development NGOs such as BRAC, Grameen Bank, Proshika, and ASA have become credible institutions to provide varieties of inputs and services related to microfinance, small industry, livestock, fisheries, sanitation, basic education, and health care;

- The majority of their members are women who represent a formidable political force as a group participating in elections and shaping the election outcomes (especially at the local level);

- An increase in NGO power is also evident in greater resistance from

NGOs to certain policy options devised by the government, and more involvement by NGOs in advocating or publicizing their activities in order to influence government decisions in their favor;

- An essential indicator of the expanding power of development NGOs is their direct involvement in macro-level political processes such as educating voters and affiliating with national political parties; and

- Many development NGOs have gained further power by expanding the scope of their financial transactions and taking over various profit-making economic enterprises. This growing economic power of NGOs makes them relatively autonomous and independent of financial controls exercised by the government.

In addition to these indicators, Haque (2002) also identified local and external factors that are playing important role of growing power of NGOs in relation to government. For example: increasing scope of their membership; through their comprehensive educational and training programs that shape the orientations of millions of NGO members and, through them, other citizens; the rise of a market-biased neoliberal ideology; most foreign donors or aid agencies are increasingly portraying NGOs as the means of democratization, remedies for poverty, constituents of a civil society, and substitutes for state agencies in developing countries; NGOs have become more influential in relation to the government because of their worldwide recognition and replication; many local NGOs in developing countries have increased both their power and influence by setting up alliances or partnerships with foreign NGOs located in developed countries; and finally the economic power of Bangladeshi NGOs has been strengthened due to the fact that the above international bodies, foreign donors, and bilateral agencies have increased their financial support to these local NGOs while limiting their assistance to the government during the last two decades.

Above interpretations show that NGOs have emerged as vital actors in the socio-economic development of Bangladesh during the last three decades. The NGO- Government relations can be summarized into three paradigm shifts (Alam 2007, 28).

- The first paradigm shift occurred in the mid 1970s, when the charity and relief orientation of NGOs switched to community development programmes incorporating some basic services to the poor and also a new emphasis on institution building;

- The second shift began to emerge as government gradually recognized the importance of NGOs as development actors. Government has become convinced of NGOs potentiality in reaching the poor. This sets

the beginning of relations marked often by but also, in some cases, tension and mistrust. GO-NGO collaboration extended to many sectors including education, health, environment, population, women and youth development, livestock and fisheries, resettlement and disaster management; and

- The third paradigm shift occurred when some NGOs focused their activities on political advocacy in the disguise of non-party politics, though they also continued to work in various spheres of socio-economic development. NGO involvement in political movements, voter education, and elections has damaged their non-partisan standing. This has created feud and factionalism within the NGO sector that led to divisions in the leadership of NGOs.

NGOs and Government in Bangladesh: Adversaries or Allies?

Unanimously, NGO is a very popular concept in Bangladesh and has become a key partner of development during the last two decades. It has gained international fame for its contribution to development. Although the genesis of NGO in Bangladesh has a long history, it has achieved high profile since the disaster floods of 1988 (White 1999) and later the success history of NGOs went to a different height. Microfinance predominantly known as micro-credit is one of the leading social and economic philosophies has created much attention among the global development community especially as a tool of poverty eradication and women empowerment (Khandkar 2005, Pitt, Khandker, Chowdhury and Millimet 2003, Schuler and Hashemi 1994). Microfinance institutions have been considering as the leading partner of international aid agencies to achieve MDGs. The idea of microcredit is something for which Bangladesh can claim the intellectual property right. This model has been replicated many parts of the world. As a result, Dr. Muhammad Yunous, the father of the micro-credit model and his Grameen Bank have been awarded with the Nobel peace prize in 2007. Bangladeshi NGOs have also gained recognition from the world development community for theirs success in non-formal education, public health and sanitation and women empowerment.

However, despite the colossal success of NGOs in development, a formal relation between NGOs and government has not been established in Bangladesh yet. After the independence, the various regimes have introduced some regulatory framework for controlling NGOs and their activities rather than introducing a healthy relationship between these two actors.

Historically, the relations between these two actors are not well particularly after the fall of Ershad regime in 1991. The tension between these two mounted after establishing NGOAB and introducing various ordinances and regulations in order

to govern the activities of NGS. The World Bank (1996) highly criticises the role of NGOAB and emphasizes on the weaknesses of NGOAB. Sanyal (1991) describes the relationship between NGOs and state from the shadow of a triangle with the donors, alternately posing as matchmaker, confident or rival. It has been found that the NGOs are more dependent to the donors rather than to the state (Jamil 1998). In many cases they are not accountable to the state. The donor's advocacy of the NGOs has challenged the state's monopoly as development actor, with far reaching implications for its funding base, sovereignty, and internal legitimacy (Sanyal 1991).

It is evident that the donors have fellow feelings for the NGOs in Bangladesh. At the same time they are very much frustrated about the state bureaucracy. As a result there are conflicts between the government officials and NGOs officials. In many cases government officials consider NGOs officials as their rival (Asaduzzaman 2008). Research finding shows that government employees feel resentful at seeing staff at a comparable level in the larger NGOs having greater flexibility in working, more chances for foreign tour, better salaries and a higher budget for office support, vehicles, and so on (Sanyal 1991). The executive branch (bureaucracy) of Bangladesh is very powerful than other branches. As Hamza Alavi (1972) states that colonialism (post-colonial state) had resulted in an overdeveloped state relative to a comparatively underdeveloped local bourgeoisie. Later Migdal (1998) highlights it as strong societies and weak states. As a result, bureaucracy is itself reluctant to build a healthy relationship between the state and NGOs in Bangladesh. The state organs do not trust NGOs and their allies. The root causes of mistrust and rivalry between GO-NGOs are (Alam 2007):

- *NGOs have gradually emerged as strong actors in both political and socio-economic spheres undermining the state's role and authority.*
- *NGOs receive large amounts of foreign funds and this creates competition for limited resources between state and NGOs.*
- *DPs are in favour of implementing many development programmes through NGOs.*
- *NGOs' involvement in local level elections and in electioneering and also in national politics has created suspicion and mistrust about NGOs' long run motives.*
- *NGOs' involvement in business (superstores, printing presses, hotels, transport, education, real estate, finance and banking) has raised questions in the mind of common people as well as within the state apparatus.*

There are some common perceptions of NGOs about the government and similarly government has its own perceptions about NGOs. They can be briefly highlighted in the following box.

What government thinks of NGOs:
- Lack accountability.
- Practice insufficient inter-NGO coordination leading to overlapping and unnecessary spending.
- Spend too much money on their operations.
- Rely too much on foreign funds.
- Charge high interest on credit.
- Have an insignificant impact.
- Their success stories get unduly positive coverage in the local and international media.
- Contract DPs without the knowledge of government.
- Undertake programmes which are sensitive and have political implications.
- Get involved in political activities in the name of non-party politics.

What NGOs thinks of government:
- It is rigid, bureaucratic and tries to over-regulate NGO activities.
- Unnecessarily requires prior approval for foreign funded projects.
- Lacks appreciation of the differences in approach and style of NGOs' project management.
- Does not differentiate between NGOs with a proven record of performance and less-committed NGOs.
- Does not differentiate between politically biased and unbiased NGOs.
- Harasses NGOs due to their claimed political activity.
- Has different mission and vision from government.
- By comparison with government, NGOs are poor, environmentally friendly and work in the remote areas of the country.

Sources: Alam 2007

Figure 1.1. Government-NGOs Mutual Concerns

The relationship between the government and NGO can also be describes from the political perspective. Farazmand (1987) describes it as love-hate relationship. It is already mentioned that the conflicting relationship between the government and NGO has started since 1991. After the parliamentary election of 1991, the opposition claimed that the winning party has got huge support from the NGOs. This conflicting relationship has been worsen and got a new dimension in 2012 when the present regime ousted Nobel laureate Dr. Mohammad Yunus from the position of chairman of Grameen Bank (GB).

In January 2011, the present government formed a five member review committee in order to know the overall management and condition of GB. The committee recommended 21[2] suggestions. Based on the recommendations,

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[2] • The ownership of GB,• The tenure of Managing Director, • Violation of law and regulations, • Regulatory authority, abuse of power in framing rules and regulations, • Absence of transparent and accountable management, • Absence of age limit of the chief executive, • Financing in contravention

government has passed Grameen Bank amendment bill in 2013 and reorganized the board of directorate of Grameen Bank. This initiative of the government has been criticized by the current opposition political parties led by Bangladesh Nationalist Party (BNP) and they ensured that they will reinstate Dr. Yunus as the chief of GB and its previous regulations if they come to the power. Even the civil society members (known as pro-BNP) criticized the government decision about GB. Moreover, the donors and USA have also expressed several times their concern about the government intervention over the autonomy of GB.

From the above, four major barriers for building a healthy relationship between NGO and government in Bangladesh can be identified. These are: *policy environment, government factors, NGO factors and donors factors* (Clark 1995).

Policy environment: "NGOs often fall in the opposition camp while the government or ruling party may see itself as the sole legitimate voice of the people. In such a highly politicized policy environment neither party would have sufficient trust in the other to be able to work together, nor would they desire to do so" (Clark 1995, 396).

Government factors: "Government-NGO relations may also be strained where corruption and nepotism are rife, or where there is a shortage of competent staff especially at local level. The jealously of civil servants toward NGOs can exacerbate policy tensions" (Clark 1995, 397).

NGO factors: "NGOs often display a distinct preference for isolation. They are not only unwilling to engage in dialogue with government but they often coordinate poorly with one another" (Clark 1995, 397).

Donors factor: "When the NGO sector is dominated by foreign or international NGOs problems can arise between the government and the NGO, if the government feels that it is being squeezed out of development decision making" (Clark 1995, 397).

Conclusions

Although NGO is not a panacea, it becomes a key actor of development in Bangladesh. Neither the government nor the political parties can ignore the

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of the ordinance, • Ultra vires decisions of board of directors, • The ownership of Grameen Telecom, • The associate institutions and their management, • Lack of transparency in audit report and compliance, • Formulation of IT policy and establishment of separate IT department, Violation of Ordinance in creating undistributable reserve fund, • Effective interest rate on credit, • Nonpayment of excise duty and income tax on interest earned from deposit, • Violation of the Ordinance while providing credit, • Noncompliance of the procurement guidelines, • Liquidity problem during crisis, • Accountability of the associate institutions, • Engagement of consultants for GB and associate institutions.

role of NGOs in poverty alleviation and women empowerment. Historically the poor performance of the government has paved the way of mushrooming NGOs in Bangladesh. However, the above analysis shows that the government has not always been enthusiastic about the direct involvement of NGOs into the government apparatus.

The indirect benefits of NGOs are enormous for example creating employment opportunity for young educated people. In other words it can be assumed that the growth of NGOs are blessing for the state. NGOs have created jobs for all categories of people and thus millions are engaged directly and indirectly in this sector. It has been evident that in recent times smart and talented young people are very much interested in building their career in this sector. For jobless educated people, NGOs are the best and last hope for getting a job. Therefore, a healthy and working relationship between NGOs and government need to be established in Bangladesh rather than introducing regulatory frameworks, politicizing NGOs and increasing tension. The Post-2015 Development Agenda categorically emphasizes the importance of participation, inclusion and partnership of Government and NGOs in achieving sustainable development of the developing world.

Building a healthy or formal relationship between NGO and Government is not an easy task in the country like Bangladesh. However, government has to take momentous initiative in this regard. It is widely recognized that the government alone is not able to resolve the multidimensional problems, but NGOs and civil society organizations should be brought together for concerted action directed towards environmentally and socially sustainable development (Elander 2002, Asaduzzaman 2008, 2011).

Now the immediate question is how to build the relationship or what could be the theoretical or methodological framework of relationship? This is also a very challenging task. We have discussed many theories of relationship between NGO and government. However, it is very difficult to suggest which one is good for building healthy relations between NGO and government in Bangladesh. As Jreisat (2004) more precisely argues that for any national governance system to succeed in an increasingly interconnected, rapidly changing world, it needs to develop a governance system based on a learning and decision-making process, in order to able to grow and adopt to citizens expectations, as well as to operate effectively across shifting boundaries. Therefore, we would like to conclude by saying that a home ground model of relationship between NGO and government is needed immediately and that could be developed through a comprehensive research and analyzing the grassroots realities of Bangladesh.

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THE CURRENT PRACTICE OF CITIZEN PARTICIPATION IN INDONESIA NETIZEN AND SELECTED CASES OF LOCAL DEMOCRACY IN INDONESIA

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Introduction

The Republic of Indonesia is the world's largest archipelago country by area and by population. It is also the world's most populous Muslim-majority nation and is home to 240 million people living across more than 17,504 islands in an area of 1.910.931,32 km². Despite its diversity, which includes 300 distinct ethnic groups and more than 700 languages and dialects, Indonesia has managed to develop a shared national identity.

The fall of the Suharto regime in May 1998 marked the beginning of Indonesia's "remarkable transition from repressive dictatorship to possibly the most dynamic and successful democracy in Southeast Asia" (Liddle, 2012). Far-reaching political, economic and judicial reforms have contributed to the country's rapid democratic consolidation. A massive decentralization program in the early 2000s has transferred political power to the local level. A member of the G-20 with an estimated GDP of US$ 846.8 billion in 2011, Indonesia's economy is the largest in Southeast Asia. In the past 15 years, the region's most populous nation has turned from "Southeast Asia's economic basket case in 1998" into one of Asia's most promising emerging markets with annual growth rates at more than five percent. Indonesia's rapid urbanization, young demographics, and increasingly affluent middle class are driving its economy to become the world's seventh largest by 2030 (UNESCAP, 2013). Indonesia's economic growth from 2009 until 2012 of was 6.2% per year with a GDP per capita of US$3557. This makes Indonesia a lower middle income country.

Historical Context of Democratization and Decentralization

Democratization and decentralization are two variables that are related each other. Decentralization in some countries has been persued by national elites for a mixture of reasons, including democracy, making government more efficient, and reducing state expenditure (Selee and Tulchin, 2004). In the history of Indonesia's decentralization, there has been a unique relationship between the central government and local government independence. In the period of 1945-1949, local governments had broad autonomy in managing their abundant local resources. The system of the Dutch colonial administration of the so-called East Indies consisted of a simple top-down structure. Within this administration, around 300 Dutchmen in the Interior Ministry (Binnenlandsche Bestuur) managed the main functions of government in Jakarta (then called Batavia by the Dutch) and staffed the territorial administration down to the level of regency (Furnivall 1944:ch. 9) Local administration below the regency level was carried out by the indigenous aristocracy (pangreh praja), which was led by regents (bupati) and assisted by their bureaucrats (wedana) (Rohdewohld 1995:3; Sutherland 1979). At the beginning of the twentieth century, liberal movement in Netherland pushed new policy to more human colonial policy called Ethical Policy and introduced The Decentralization Law (Dezentralizatie Wet) of 1903 provided the legal basis for this first autonomy experiment according to which the territory was divided into three administrative units (Gewesten, Plaatsen, and Gemeenten). Also in 1903, the municipality of Batavia became the first local government authority, followed by the municipality of Surabaya in 1905. By the year 1939, 32 urban municipalities had been formed (Furnivall 1944: 291). These municipalities and 18 residencies (kabupaten) were allowed to form local councils (raad), which were intended to serve the interests of their European majorities (Legge 1961:6).

The Japanese occupation in the 1940s had a radicalizing effect on this decentralization process (Bunte, 2006). First, the provinces and regency councils were abolished, and the territory divided into three administrative units, which ran parallel to the military subdivision of the country. Second, the Indonesian aristocracy (pangreh prajah) moved up into senior positions while nationalist leaders (including Sukarno) became part of the government. At the same time, the authoritarian bureaucracy was extended down to the level of hamlets and households. With this step, "every household, neighborhood association, hamlet and village, all of which had previously fallen outside the formal administrative structure, was incorporated into the all-encompassing single administrative pyramid dominated by the Japanese Army" (Sato 1994:28).

After independence each region wanted broad local autonomy. From

1950-1965, there were local secessionist movements or rebellions throughout Indonesia. The rebellion of *PRRI Permesta (*Revolutionary Government of the Republic of Indonesia/ *Piagam Perjuangan Semesta* (Universal Struggle Charter) in Sumatera and Celebes was a revolt involving the army which was dissatisfied with the central government in Jakarta (Fryer,1957). The role of these areas in the revolution is very important for the nationalisst movement outside Java after independence; however the central government policy ignored their role in the independence movement (Amal, 1993). One important case triggered a local rebellion in Sumatra was the appointment of a governor from Java, Ruslan Mulyoharjo, to be the governor of the western region of Sumatra in the 1956 (Amal,1993). The PRRI rebellion and the Permesta in Sulawesi, which was lead by Kahar Muzakar, had the goal of central government recognition of the Sulawesi community in Indonesia (Amal, 1993). Similarly, the Free Acheh Movement (GAM) was triggered by unjust distribution of oil and gas revenues, the secessionist movement was formed in Aceh in 1976, just as a large natural gas facility was beginning its operations.
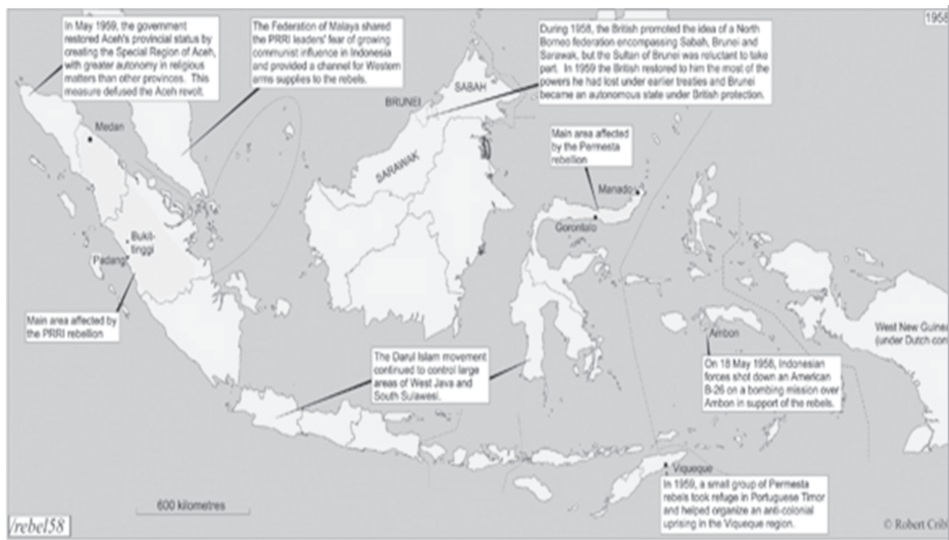
Figure 2.1. Regional Rebellion 1958-1959

Source: Robert Gribb, Digital Atlas of Indonesia History, Niaspress, 2007

After successfully military enforcement encountering separatism activists of PRRI Permesta in Sumatera and Sulawesi, demands for greater self-management were accommodated, Sukarno stipulated regional autonomy laws in the 1950s that were revoked in 1959 when Sukarno implemented 'Guided Democracy' (Legge 1961: 209). In Guided Democracy, the relationship between the central government and local governments was not changed in terms of devolution and

administrative decentralization. The central government had authority to appoint governors and mayors or regents similar to the colonial Dutch era. All local government had same delegated authorities transferred by the central government. Under Guided Democracy, the military played an enhanced role in governance, through Nasution's presence in the cabinet, through the appointment of military officers as provincial governors, and through the army's control of the enterprises seized from the Dutch in 1957, which were subsequently nationalized (Cribb, 2010).

New Order

The coup attempt of 1 October 1965 gave the army, now led by General Suharto, the opportunity to seize power from President Sukarno. A major feature of the New Order, therefore, was the removal of the once powerful party presence in the administration and its substitution with a military presence (Cribb, 2010). Indeed, under New Order era, the Suharto regime's objective was to attain political order through military dual-function, political structure, and governing process (Mas'oed, 1989). The new political structure was designed into a controlled bureaucracy, a solid military organization, controlled democracy, a house of representative, and a limited number of political parties. The first controlled bureaucracy strategy was to centralize the decision making process at the central government, to limit devolution process and to control local government. The central government appointed military personnel (active and retired) to positions throughout the government. They were especially prominent in the Department of Internal Affairs (Dalam Negeri), holding positions ranging from governor down to village chief (Cribb, 2010). In sum, The New Order stopped short of doing away with political parties and elections, but allowed both to continue only under tightly controlled conditions (Cribb, 2010).

In this way, the New Order stipulated Law No. 5 Year 1974 as very centralized local government law. The central government played an important role in recruiting governors, regents, or mayors through appointing active or retired military personnel to local government. Through this mechanism, the central government was able to effectively control the governing process. District officials often liken this assignment of functions to a farm animal that has been entrusted to another's care, with the owner insisting that he must continue to hold onto the beast's tail (terus pegang ekornya) (Ferrazi, 2000).

Era Reformasi (Reform Era)

On May 20 1998, Suharto resigned from his presidential position due to strong civil pressure. BJ Habibie was the next president. BJ Habibie formulated the new

law on democratic decentralization. Between May 1998 and October 1999 he managed to lay the foundation for a more democratic and decentralized political system, and Indonesia emerged from that transitional period to join the ranks of the world's democracies, not its failed states (Malley in Bland and Arnson, 2006). Based on MPR Decree No. XV/MPR/1998, in November 1998 BJ Habibie instructed his minister of home affairs to put together a team of civil servants, academics and advisors to formulate a draft of Law No. 22/1999 regarding regional governance. Simultaneously, the Finance Ministry started work on a reform of the system of intergovernmental finances and formulated the draft for Law No. 25/1999 on the "Fiscal Balance between the Centre and the Regions" (Bunte, 2008). In May 1999, Laws No. 22 and 25 were passed by parliament in great haste and with a minimum of debate. Indeed, no substantial changes were made from the government's original draft legislation (Rasyid 2003:63).

JICA (2001) noted that there were five important changes in Law No. 22/1999 and Law No. 25/1999. Namely, autonomy to local governments with emphasis on their diversity; distribution of authority and redistribution of personnel between the central and local governments; distribution of authority and redistribution of personnel between the central and local governments. Law No. 22/1999 states that the fields of government that must be covered by regencies and municipalities including public works projects, health, education and culture, agriculture, transport and communications, industry and trade, capital investment, the environment, land, co-operatives, and manpower affairs, and these fields may not be devoluted to the provinces (Article 11 (2) and the note thereto). In principle, the head of a local government is now elected by a majority vote of the local council, leaving little room for the central government to intervene.(ii) The head of a local government is now accountable to the local council. If the fiscal year-end administrative report by the head is rejected twice by the local council, the head is forced to resign. As a result, the local council now has significant bargaining power over the head of the local government.(iii) The regional budget over which a local council has the auditing right has been increased after the regional allocations increased in absolute terms and the percentage of block grants to total subsidies from the central government has grown. (iv) The potential opposition within the local council to the head of the local government has increased because various political parties now have representation. Finally Under Law No. 22/1999, the field agencies of central government ministries have been abolished except for those in five fields, and in addition it has become difficult for the central government to intervene in elections for governors, chief executives, and mayors.

The Habibie administration promoted a big bang autonomous model through

Law No. 22/1999. This law stipulated several radical changes: the declaration of regency/city governments as autonomous regions which are not hierarchically subordinate to the provincial government; election right of local legislative body for regents, mayors, and governors; and strong power of local councils. Article 4 (1) Law 22/1999 stated that in the context of the implementation of the decentralization principle, province, regency and city shall be formed and authorized to govern and administer in the interests of the local people according to their own initiatives based on the people's aspirations. Article 18 (1) states that the local council (DPRD) shall elect regional government heads. However, implementation of Laws 22 and 25 had several problems. Hidayat and Antlov (2003) noted that devolution initially led to deterioration in the provision of services, exacerbation of inequalities between districts, the capturing of economic benefits of regional autonomy by local elite, the absence of local accountability, and the dominance of local councils. Finally, the central government confirmed that Laws 22 and 25 as a "over acting autonomy (otonomi kebablasan) (Hidayat and Antlov, 2003).

Table 2.1.Autonomy Law No 22/1999 and No. 4/1974

Issue	Law No.22/1999	Law 5/ 1974
Status of local representative body (regional assembly)	Local government consists of local government head and apparatus for autonomous region, which assumes function as local executive body Local parliament is local house of representatives	Local government is local government head and local parliament
Definition of decentralization	Decentralization is transfer from central government authorities to autonomous local governments (regions) within frame of unitary state of Indonesia	Decentralization is transfer from government matters from central government to local governments or from upper to lower level local governments
From and scope of central and local government authority	Local governments authority covers all governmental authorities, except those of foreign affairs, defense, justice, finances and religious affairs	Local government has right, authority and responsibility to manage their own affairs Assignment of certain governmental affairs to local government is determined by central government regulations

Source: Syarif Hidayat and Hans Antlov, "Decentralization and Regional Autonomy in Indonesia", in Philip Oxhorn, et al, *Decentralization, Democratic Governnance and Civil Society in Comparative Perspective Asia Africa and Latin America*, Wodrow Wilson Center Press, Washington D.C. 2004, p. 286.

Due to the weakness of the act's implementation, the government's proposed changes to the act, namely the position of local councils as an element of regional

government administration. and the election model of heads of local government. Article 56 (1) of Law mentions that "the regional heads and deputy regional heads shall be democratically elected in the one pair of candidates through direct, free, secret, honest and fair manner".

Two autonomy acts have been causing much political change in the local level. Local governments in particular have become more independent than before and more democratic at the local level. Many experts noted the successful approach of big bang theory has at least empowered many to build local areas with the limited central government control. A 2008 survey funded by the U.S. Agency for International Development found that trust in local officials grew from 42% in 2006 to 55% in 2008. 70% of respondents said that local government executives were accountable to the people of their area, an increase from 61% in 2006. Some successful stories of locally autonomous policy implementation are the creativity of local governments in handling specific local problems, such as street trader management in Solo city with Joko Widodo, information technology use introduced by Yogyakarta' mayor Herry Zudianto in Yogyakarta, and local agriculture policy done by Damassara as a new autonomous regions. Bennett (2011) noted that the hope for decentralization in Indonesia was that with greater autonomy at the local level, constituents could increase the accountability of their local leaders. Along with the authority given to regional governments, however, these authorities have not been balanced with accountability, there for the cases of corruption in the local government. In line with the majority of the theoretical literature, we argue that the monitoring of bureaucrat's behavior is an important determinant of the relationship between decentralization and corruption (Lessman and Markward, 2009).

Table 2.2. A Chronology of Indonesia's Local Autonomy Development

Year	Act	Main Characteristics	Context
1948	The First Constitution of Indonesia, Article 18	Guarantee of local autonomy under the constitution	Principle of statutory reservation
1948	Local Autonomy Law No. 22/1948	Institutionalization of local autonomy	Liberal democracy, balanced development, and administrative efficiency
1957	No. 1/1957	Election of local government heads	Liberal democracy
1965	No. 18/1965	Suspension of local autonomy and dissolution of local councils	Authoritarian rule

1974	No. 4/1974	Indefinite postponement of local autonomy	Military authoritarian rule
1999	No. 22/1999	Election of local government heads	Liberal democracy
2004	No. 32/2004	Election of local government heads	Liberal democracy
2014	No. 23/2014	Election of local government heads	Liberal democracy

Act No. 23/2014 stipulated clearly community participation in Artile 354 as follows:

a) To inform local government affairs to public

b) To enhance civil society actively participation in local governance

c) To institutionalize civil society participation in decision-making processes in form of

   a. 1) Local policy and regulation formulation

   b. 2) Planning, budgeting, implementation, monitoring and evaluation of local development

   c. 3) Asset management and natural resources development

   d. 4) Public services.

The following method of public participation such as public consultation, policy deliberation, public engagement, controlling and other public engagement. This legally civic participation in local governance affairs is a tremendeously step forward compared with the preceding act that does not regulate public participation clearly.

However, the election of local government heads is regulated in Government Regulation No. 1/2014 with the significant change particularly in elections. This regulation stipulates only the election of local government's head and does not stipulate the pair candidate of regent/mayor/governor and vice regent/mayor/governor. The vice regent/mayor/governor is appointed from high rank public officials based on the proposal of elected regent/mayor/governor.

Civic Engagement in Local Governance

We try to use the ARVIN (association, resources, voice, information, negotiation) framework to present a more detailed methodology for assessing civic engagement enabling environments (Einhorn, 2007). The ARVIN acronym synthesizes the complexity of multiple conditions that affect the ability of Civil Society Organizations (CSOs) to engage in public debate and in systems of social accountability (Thindwa, 2003). The enabling environment analytical tool

facilitates a comprehensive assessment of the legal and regulatory, political and governmental, socio-cultural and economic factors affecting civic engagement. It is based on an analytical framework that identifies five critical dimensions that are 'enabling elements' of civic engagement. They are:

Association (A): the freedom of citizens to associate

Resources (R): their ability to mobilize resources to fulfill the objectives of their organizations

Voice (V): their ability to formulate and express opinion

Information (I): their access to information (necessary for their ability to exercise voice, engage in negotiation and gain access to resources

Negotiation (N): the existence of spaces and rules of engagement for negotiation, participation and public debate.

Table 2.3. The ARVIN Framework: A Way to Assess the Enabling Environment for Civic Engagement

Item	Legal and Regulatory Framework	Political and governance context	Sociocultural characteristics	Economic conditions
Association	Freedom of association	Recognition accreditation and procedures	Social capital, barriers, genders and illiteracy	Cost of legal registrations and accreditation, cost of convening and procedures meetings and forum
Resources	Tax systems; fund-raising, and procurement regulations	Government grants, private funds, contracting and other transfers	Social philanthropy, history of associational life, self-help and gap-filling	Size of and stresses in the economy, unemployment, impact of economy on contribution by members, infrastructure and cost of communications
Voice	Freedom of expression, media and information and communication technology-related laws	Political control of public media	Communication practices (use of media by different social groups)	Free associated with expressing views in media (advertisements versus op-eds), cost present, publish and distribute views (petitions, newsletter, radio announcements)

Information	Freedom of information; rights to access to and provision of public information	Information disclosure policies and practices, ability to demystify public policy and budgets	Information networks, illiteracy, word of mouth	Cost/fees for access to information
Negotiation	Legally established dialogue spaces (referendum, lobby regulation, public forum and so forth	Political will, institutionalized dialogue and social accountability mechanism, capacity of parliament and national government to engage	Social value and hierarchies that establish who can speak on what subject in what context and when	Bargaining power, impact of economic constraints on autonomy and advocacy

Source: Thindwa, Jeff, Carmen Monico, and William Reuben.*Enabling Environments forCivic Engagement in PRSP Countries.Social Development* Note 82, World Bank, Washington, DC, 2003.

Netizen in Local Governance

Citizen involvement in governance is a focal point to ensure better governance accountability through broad space of social media for public participation. Social media is defined as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content (Kaplan & Michael Haenlei, 2010) "Web 2.0" refers to Internet platforms that allow for interactive participation by users. "User generated content" is the name for all of the ways in which people may use social media. The Organization for Economic Cooperation and Development (OECD) specifies three criteria for content to be classified as "user generated:" (1) it should be available on a publicly accessible website or on a social networking site that is available to a select group, (2) it entails a minimum amount of creative effort, and (3) it is "created outside of professional routines and practices." (OECD, Participative Web and User-Created Content: Web 2.0, Wikis, and Social Networking18 (2007) [hereinafter OECD Report] (Kaplan & Haenlein, 2010: 61)

There are different types of social media, such as collaborative projects, virtual worlds, blogs, content communities, and social networks. Joseph (2012) noted several advantages of social media. First, it has expanded access to information in an important new way. Secondly, information can be spread faster and farther both within and outside social media. Thirdly, social media expands access to evidence of human right abuses beyond that offered by the mainstream media or NGOs. Fourthly, social media amplifies the message of its users. Finally, an

important new platform for information access is taking shape with the emergence of WikiLeaks. Another type of opportunity provided by social media for openness and anticorruption is the increased opportunities for citizen journalism. Through social media, citizen journalism can report when the traditional media fails, such as when the media are strongly influenced or controlled by the state or those in power or when the media provide insufficient coverage of a story (Bertot et al., 2010). Social media tools have created opportunities for collaborative governance and have the potential to facilitate governments in their efforts to reach citizens, to shape online debates and e-participation, to empower citizens, groups, and communities, and even to revive or demand democracy or *e-democracy* (Banday and Mattoo, 2013). Each type will be explored in the following section.

Politicians and government agencies in the United States of America and UK Councils are using social media extensively to interact with and to inform citizenry. In the United States social media use boosted Barack Obama's grassroots presidential campaign (by using the Facebook page http://www.facebook.com/barackobama and the Twitter handle @BarackObama) in the year 2008. However, former US Congressman Anthony Weiner's career collapsed after it was revealed that he had sent lewd photographs and messages to at least six women online (Srivastava, 2013,). In Canada, Glen Murray, the Minister of Research and Innovation for the province of Ontario, wanted to find a way to bring the public into the discussion. Murray and two other ministers created a crowd sourced wiki to help create an official policy paper on what the government's approach to social innovation should be. Like Wikipedia, any user can add articles or edit submissions in a collaborative effort to create official policy. Gov. politwitter.ca is a companion tool to Politwitter that tracks social media activity by Canadian government institutions & organizations (Srivastava, 2013). In Russia, all items on the agenda of the presidential commission are available for online discussion via the official website i-Russia.ru, where those interested in what is happening can post their comments via social networks such as Facebook, Twitter and VKontakte id). Indian Prime Minister Manmohan Singh has a Facebook page at www.facebook.com/dr.manmohansingh that is frequently updated with both political and personal updates. It has around 382,223 likes which suggests that the citizens are interested in engaging in political and policy discourses. The PMO maintains the Facebook page and all information regarding important bills, legislations, PM statements, press releases, official visits, and photographs are regularly updated. PMO India has a twitter handle too http://twitter.com/pmoindia (Srivastava, 2013). In researching the use of social media by Regional Police in Jakarta, Lestarie (2013) found that social media achieved its intended goals by serving as an efficient and effective tool for information

dissemination, providing easier information access to citizens, and encouraging public participation and collaboration in government work.

According to the Ministry of Communication and Information, as of November 2013 Indonesia had 20 million Twitter users and 65 million Facebook users. Of the estimated 187 million voters, about 12% will be first-time voters aged 17 to 20, according to Central Statistics Agency data. Social media users swell the total youth vote (those aged below 30) to about 54 million, or a third of the electorate. At least six out of ten of these young voters are plugged into social media, according to a Jakarta Post report.

Figure 2.2. India and Indonesia Social Media Role in Election

In the government's sphere of influence, the Indonesian President Susilo Bambang Yudhoyono, or SBY as he is known, joined Twitter in 2014. Within two weeks of his joining Twitter, SBY had over 1.7 million followers and a spike in his popularity. In the 2014 general election for Indonesia's President saw Joko Widodo and Jusuf Kalla win the election for President and Vice President of the Republic of Indonesia for the period 2014-2019. These candidates have successfully gained popular support and initiated voluntary political movements (outside political parties). Once elected, Joko Widodo and Jusuf Kalla launched a new form of communication with social media (Facebook Jokowi Center) to build a new-populist Cabinet. In this way, Jokowi-Jusuf Kalla is attempting to get public responses and complaints from the community in order to provide input on the proposed ministerial candidates. Indonesia, particularly Jakarta, is

one of the places in the world which is most densely colonized by social media. Jakarta reputedly generates more tweets than any other of the world's big cities. In a nation of 240 million people, Facebook has more than 60 million active users, but creativity only goes so far. Merlyna Lim (2014), a digital media expert at Canada's Carleton University, said while Jokowi's online supporters are funny and innovative, Jokowi's opponent has outmanoeuvred him online. "Prabowo has been better in mobilising [online support]," she said. "They're more systematic … they have more organised attempts to attack [Jokowi] (al Jazeera.com). Katapedia, the research centre for social media noted that the winning pair of Jokowi-JK has shown in the last ten days before election that items posted by those Jokowi-Jusuf Kalla were shared in social media 770,491 times, compared with 709,294 times for Prabowo Hatta Rajasa (2014). Voting for Jokowi-Jusuf Kalla via hashtag #AkhirnyaMilihJokowi (#finally vote for Jokowi) has become a trending topic.

Table 2.4. Institutionalized Use of Social Media in Local Government

No	Item	Bandung	DKI Jakarta	Banyuwangi	EastKutai	Bogor
1	Starting Twitter	Ok-2009	Jan-10	Jan-12	Sep-12	Jan-10
2	**Update**					
	Update/tweet per day	21	5	40	4	7
	Update/tweet per week	148	35		7	
	Update/tweet per month	593	150		12	
	Total tweet	35.570			678	
3	Followers twitter head of government	35901000	1830000	13400	113168	1483
4	**Mention twitter**					
	Daily mention	7	275	20 s/d 30		
	Weekly mention	49	1400			
	Moonthly mention	210	1675			
5	Favorite twitter	17400000	219	122	219	
6	Number of photo and video	2,641				
	Type of information					
	a. Photo				13	
	b. Program				17	7
	Type of retwitted					

a. Information				32	7
b. Input				45	1
c. Complaint				11	

However, not all local governments benefit from social media. Bekasi municipal government, for example, is a city that had not taken social media to enhance the performance of city government. This is despite the fact that the city is often mocked by its own citizens by the use of such topics trending on Twitter as Bekasi city.
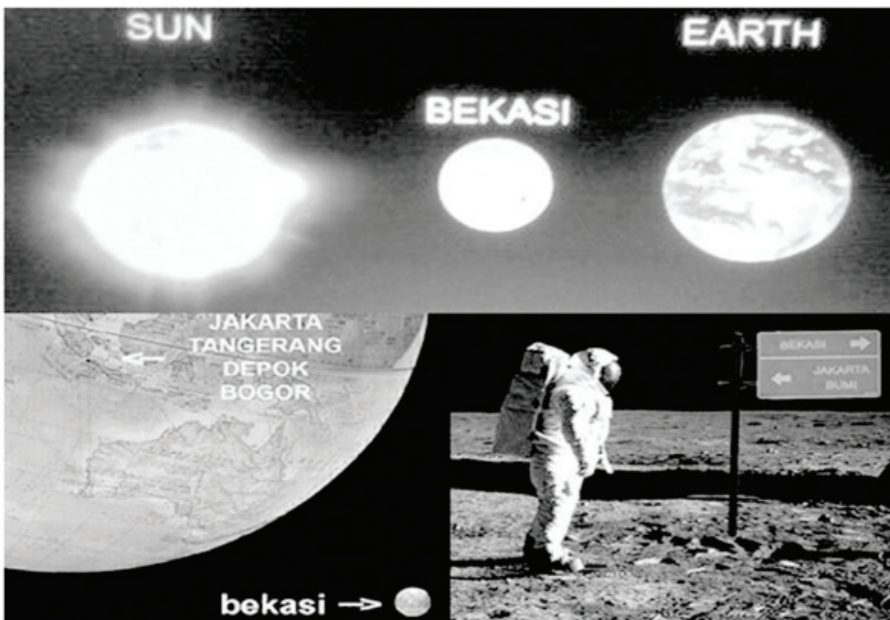
Figure 2.3. Picture of Citizen Complaint to Bekasi City Government

Citizen complaining in social media originates from hot weather and traffic jam. Citizen aspirations were conveyed through social media as a form of citizen complaint to municipality government performance. They want to enjoy their lives in a livable and healthy city. People want to know that the leader is not merely talking or enjoying the term of office, but is actually working to improve governance. Responding to this message in social media, the mayor of Bekasi, Rahmat Effendi, cynically stated that Bekasi city's citizens lacked the proper knowledge to criticize their city development (detik.com, 12/10/14).
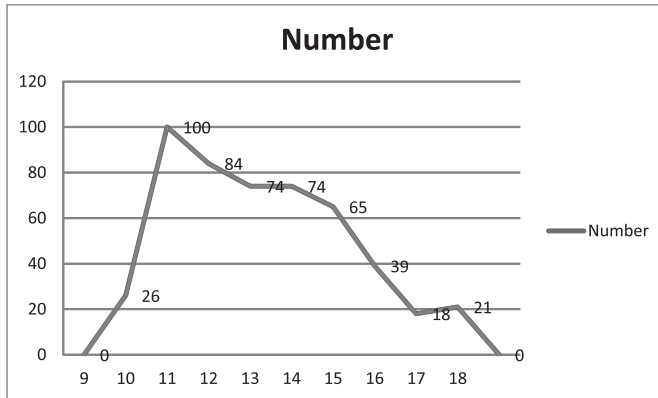
Figure 2.4. The Number of Topic Bekasi City in Social Media

Source: Google Trend

Social Media Use in Jakarta Metropolitan Government

After Joko Widodo and Basuki Tjahaja Purnama became governor and vice-governor in Jakarta Metropolitan Area, Indonesia, they introduced e-participation through social media. One platform that they used to cultivate citizen participation is YouTube. In their research on the YouTube presence of Jakarta's government, Chatfield and Brajawidagda (2013) analyzed 250 government-generated videos on YouTube, which were viewed and liked by 7.8-million of Jakarta's net-savvy citizens. These videos were then classified into seven categories, as follows

(1) **High-Level Political Meetings**, which refers to high-level internal meetings with internal and/or external stakeholders (e.g. policy makers, politicians, decision makers and senior public administrators) to discuss key political issues of interest to the public from perspectives of "The New Jakarta" reform visions.

(2) **Community Engagement activities**, which aim to promote informal social interactions and exchanges between the Governor (or less frequently, the Deputy Governor) and local citizens through community events.

(3) **Site Visits**, which are defined as direct observation activities for face-to-face fact-finding with citizens and government officials alike, engaged by the Governor (or on rare occasions by the Deputy Governor) outside his Executive Office.

(4) **Press/Media Conferences**, which refers to news media interviews given by either the Governor or the Deputy Governor.

(5) **Ceremonies**, which includes activities of the government officials who represent the local government in sponsoring an official ceremonious event.

(6) **Public Speeches**, which includes invited keynote speeches delivered by the Governor or the Deputy Governor at seminars and workshops.

(7) **Making/Hosting Honorary Visits**, which includes official gubernatorial visits to a place or an event to represent the government to interact with other parties or agencies, as well as official gubernatorial receptions for other parties or age.

The 250 government-generated YouTube videos attracted a total of 7,815,549 viewers during the 80-day data collection period of this research. They found that the High-Level Political Meetings, the Community Engagement, and the Site Visits categories attracted the highest (48,773), the second highest (29,161) and the fourth highest (21,022) average number of viewers.
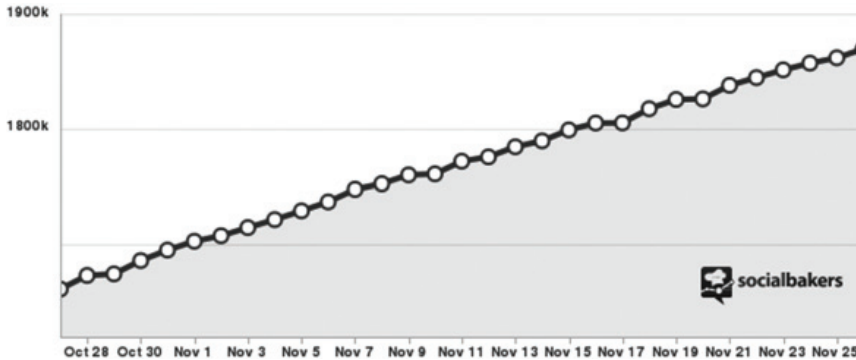
Figure 2.5. Basuki PurnamaAhok Basuki TPurnama Twitter Followers
Source: http://www.socialbakers.com/twitter/basuki_btp

Basuki, governor of Jakarta, 1869306 followers on Twitter, and follows 36 other users, while have posted 2126 tweets.(Socialbaker.com). He also designed special hotline phone number to accept complaints from citizens: 0811944728, 081927666999, and 085811291966.

Figure 2.6. Short Message Community Report System
Source: Ahok.org.

Bandung City: Evolution of CSO Participation in Bandung City from Direct Participation to Virtual Participation

Takeshi (2006) did field research on CSO participation in Bandung city during early decentralization implementation in 2004. He found that the city government worked with the Citizen Forum for Prosperous Majalaya (Forum Masyarakat Majalaya Sejahtera, or FM2S), a trustee-type group and traditional religious organizations such as NU and Muhammadiyah. The experiment of Kab Bandung demonstrates that the involvement of CSOs in local governance can successfully reconcile vested interests and unwanted competition within the district government. Vested interests and unwanted competition are the roots of bureaucratic inertia and thus they are impediments to local governance reform. I argue that the process of local governance reform is not linear or static but rather it is entangled and dynamic with various actors competing for power. That is to say, reform initiatives are shaped by contests over power, and thus are susceptible to vested interests of Bupati, district parliament, regional planning board, the line agencies, and CSOs (Takoshi, 2006).

How is Bandung city civil society involved in the current information era? After waves of local democratizations over the past decade, the current mayor of Bandung city, Ridwan Kamil, introduced a new way of CSO or citizen participation in local governance through social media. In his tenure, he has used social media as a tool not only to connect more deeply with people but also to manage the city and to enable better and faster communication. He also decided that every department in Bandung municipality government should have a Twitter account that was utilized for various activities such as information sharing and submitting visual reports of the work that needed to be done in the course of the city's development. Mr Kamil recognized that being connected is crucial to the future of a city, and installed 5000 free WiFi hotspots across the city of Bandung.
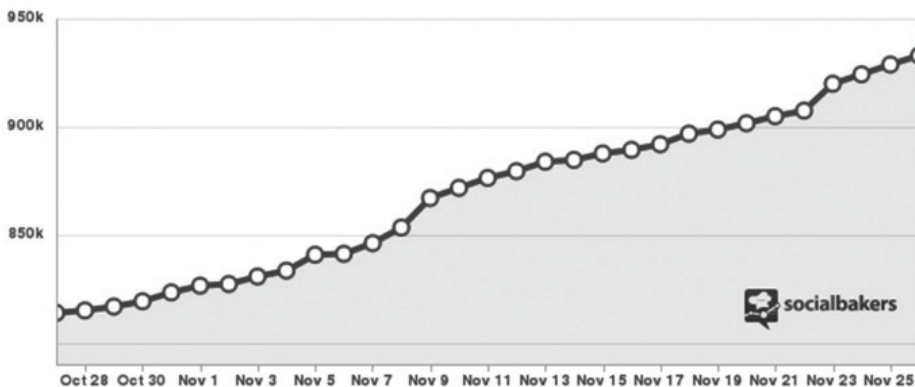
Figure 2.7. Ridwan Kamil Twitter Followers
Source: http://www.socialbakers.com/twitter/ridwankami

Twitter name: @ridwank has 932983 followers and is following 2353 other users. His account has created 35649 tweets over it's lifetime (5 years 1 month 22 days). The following performance of each department's response to social media was done by Bandung Voice (*Suara Bandung)* (suarabdg.com).
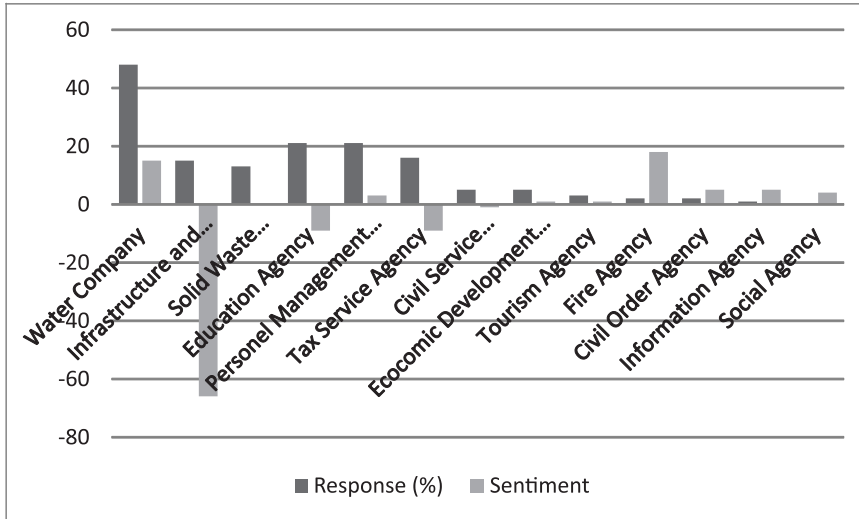
Figure 2.8. Response and Sentiment Rate of Bandung City Departement

via Twitter in November 2014

Source: SuaraBDG.Com

We can see in the ARVI framework that social media introduces a new model of electronic citizen association in Jakarta and Bandung. By connecting via social media, the governor or mayor encourages the creation of citizen associations based on common interest in public deliberation. In the case of http://Ahok.org, the Jakarta governor's metropolitan government website, it creates interest in city issues among the common citizens. Legal citizen engagement in political affairs creates a new model of governance which acts as a low-cost two-way interactive platform with the governments through a common infrastructure of ICTs, and is the backbone of a networked government. Although the role of social media in local governance is not a legally established space for dialogue or a public forum by local regulations, the Governor of Jakarta and the Mayor of Bandung city have introduced a new model of free public deliberation, publishing and distributing views on what subject in what context and when. Local government-generated YouTube videos captured and dynamically communicated the government's central message and greately increased the transparency of the Jakarta metropolitan government (Chatfield and Brajawidagda, 2013).

The interaction could be improved through social media users with high

social capital. The management and control of this ICT infrastructure will serve the role of the infocracy. The remaining organizations of the public administration will be restructured in the coming decades to meet new organizational and technological demands, and will be draped like flesh around this backbone (Dick and van-Beek, 2008). The use of social media by governments can be made more open, more transparent, more responsive, and more accountable. These acts can provide a quick, cost-effective, two-way interactive platform for discussions and interactions of the governments with its citizens, which will help to inform better policy formulation and implementation. By evolutionary change, the use of social media may introduce virtual organizations that occur as a result of virtual communications in organizations, communities, and their relationships (Fulla and Welch, 2002).

Musrenbang: Making Civic Engagement in Local Budgeting Process in Gowa Regency, South Sulawesi and Malang City, East Java

In the following, we first discuss the links made in the literature between civic engagement and local democracy, in local budget deliberation particularly. Public participation in formulating local budgets (termed *Musrenbang* in the Indonesian context) is defined in various regulations, including the 2004 law no. 32 and 33 on Local Government and the Financial Balance between the Central and Local Governments; the 2007 Home Affairs Minister Regulation No. 59 on the Changes of the Home Affairs Minister Regulation No.13 on the Manual on the Local Financial Management the 2004 Law No. 25 on the National Development Planning; and the Joint Letter between the National Planning Board and the Domestic Minister no. 1354/M.PPN/03/2004050/744/SJ on the Manual for the Implementation of *Musyawarah Perencanaan Pembangunan (Musrenbang)* forum and Local Participative Planning (Sopanah, 2012). Musrenbang is a deliberative multi-stakeholder forum that identifies and prioritizes community development policies (USAID, 2013). It aims to be a process for negotiating, reconciling and harmonizing differences between government and nongovernmental stakeholders and reaching collective consensus on development priorities and budgets. There is a hierarchy of these forums for synchronizing between 'bottom up' and 'top down' planning. The following figure illustrates the schema and schedule on Musrenbang.

		National Annual Plan Formulation				
National Annual Plan Formulation						
Provincial Annual Plan formulation						
Provincial Working Plan						
Regency and City Annual Plan						
Regency/city working Plan						

TIME
Month

JANUARY FEBRUARY MARCH APRIL MAY
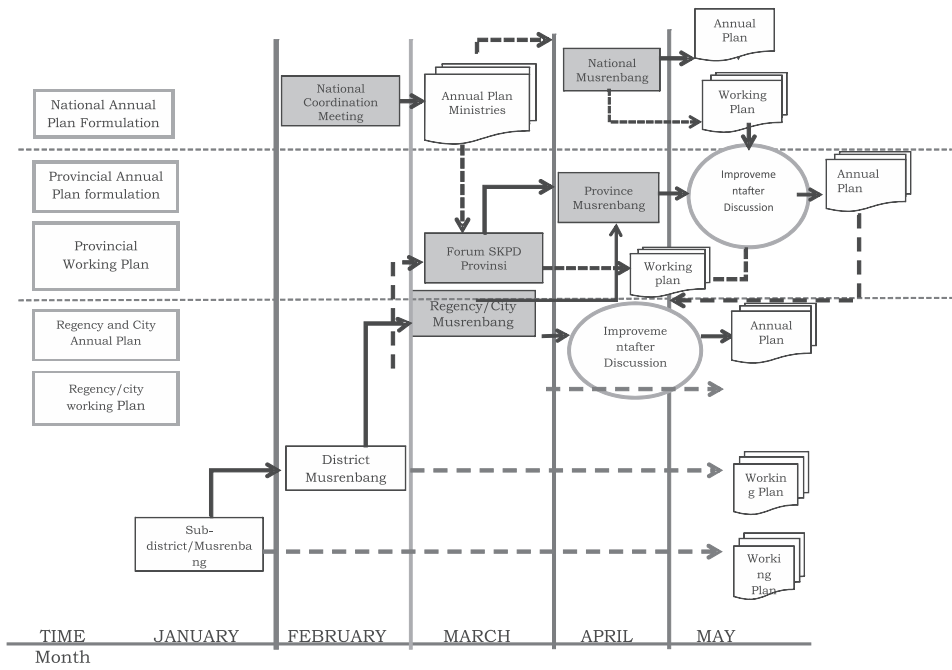
Figure 2.9. Musrenbang Plan Mechanism

This section is a comparative study attempt to assess the actual structure, working, and content of some arenas of civic engagement in different local budget deliberations. Musrenbang implementation analysis are based on the case Gowa Regency, which is located in South Sulawesi and Malang city in East Java Province. As an effort to increase transparency and participation institutionalization in local governance, Gowa's regency government has stipulated the local regulation No. 3/2004 on transparency and No. 4/2004 on community engagement in local governance. These regulations are based on the initiative of international donor agencies and the World Bank, under Initiatives for Local Governance Reform Program (ILGRP) which have been operated in 14 regencies/municipalities all over Indonesia from 2002 - 2012.

However, the existence of those local regulations on transparency and participation have not brought a significant change to the quality of local governance, even though the public now has the right to get information on local government budgets through local public radio and local newspapers. The practice of transparency and participation follows the standards required by the donor. The procedures for transparency and participation are formally engaged with the elite of local politics, the local bureaucracy, NGOs, and a few limited local public figures. The public has some difficulties in accessing local government documents (65 information budget items) based on Ministry of Home Affairs

Regulation No.13 Year 2006, due to officials' reluctance to make budget documents available. The head of each department perceives that it was only required to make general or resume budget documents available, not detailed budget documents (Pradana, 2015). When assessing budget information using ICT (information communication technology), Wibowo et.al. (2014) found the official website of Gowa regency's government also provided very limited information on Local Government Budgets. One important NGO's was sued in a local court by Monitoring Committee for Development and Corruption Transparency (*KAPAK*) for publishing accountability report of School Operational Assistance Fund Utilization in 2013. Finally, the NGO lawsuit won the case in local court and local government had to open budget report to the public.

Participatory Budgeting in Malang City

To understand the relationship between the state and civil society in the APBD (Local Budget and Expenditure) policy deliberation can be explored through the stages of its process. Based on the Internal Affairs Ministry Regulation No. 37/2012 on manual drafting for APBD's 2013, Musrenbang objectives is aim to draft the annual plan, annual policy, and working plan.

Musrenbang aims to figure out the development issues that are being encountered by the Malang city government. The urgent and strategic issues are deliberated through a bottom up community meeting. However, not all of the issues discussed and proposed by stakeholders in these meetings are able to be prioritized in annual city plan. In sum, the criteria for policy issues that are prioritized to become an annual city program are both that (1) the programs have been listed in long term plan (RPJMD) and annual plan (RKPD), and that (2) the programs are in accordance with the national and province policy priorities.

Village Participatory Budgeting (Musrenbangdes) and Sub-District- level Participatory Budgeting (Musrenbangcam)

Musrenbangdes is an annual deliberation forum of stakeholders in order to plan village development for the year. According to the Malang city regulation, the objectives of Musrenbangdes are (a) to rank in order of importance the proposals made by the village, (b) to determine priorities for village activities funded by the local budget, and (c) to determine priorities for village activities that will be proposed and discussed in the higher level sub-district participative budgeting process. In reality, there are some city development programs in 2013 budget year that are not appropriate for community needs. The Head of Neighborhood stated that:

"The existing program is a self-help project that had been done last year. Last

year, we expected to get cash flow from villages administration to run the agenda, and today, they include the agenda into the district Musrenbang result as today's development program. This program is not based on our proposal as a member of the neighborhood unit. The neighborhood unit knows nothing about this. We were never asked to get involved in Musrenbang, which means that it is a fictitious program. If we had had the budget last year, it would have been easy for us to build house. Last year, we donated Rp. 350000 per household to build it. If you don't in me, just ask the community. If the budget is distributed, we will be happy. Sometimes, the budget is allocated based on the relationship. You will not get the program or the budget if you have a close relationship, a family member, or a close person for them".

For example, in Merjosari village, Lowok Waru district, there is a drainage construction which is supported by the neighborhood head and the village apparatus, although the community did not approve it. This   project   is financed by the World Bank with a budget of around Rp 300.000.000. T h e neighborhood residents who live adjacent to the drainage construction project actually want to have a mosque for their daily prayers. This is similar with Sopanah's (2012) findings in Probolinggo regency. The musrenbang discussion was still controlled by administrators, lawyers, and special interest groups. The musrenbang forum merely serves as a "magnet" (i.e. to draw the crowd) and a symbol of the importance of participation. However, it provides no real power for the participants themselves to enact policy(Sopanah, 2012).

Musrenbang at District level are primarily an arena of mass media, academics, and Majelis Ulama Indonesia (Islamic Council Association), including Muhammadiyah and NU. Formally, the meetings are open to the public. As passive members of the community, village heads, representatives of local NGOs, journalists, and academics are invited to be present in the district level Musrenbang. Presence at this stage of the planning process is to ensure a formal degree of openness rather than a forum for deliberation and discussion (Sindre, 2012).

Musrenbang at City Level

The proposals that are collected below district level (i.e. at the subdistrict level, village level, and community level) are eventually compiled by *Bappeda* (Planning Office) of the district administrative office and discussed at a district meeting along with proposals from the technical departments (Sindre, 2012). Indeed, this office has prepared the city government budget before the Musrenbang forum is done. In fact, Bappeda of Malang city tried to balance some strong interests of the local elites in the local budget. This finding was similar with some research findings that confirmed that public involvement in holding such

a Regency or city-level musrenbang is limited through a delegate system. First, several reports question the real participatory aspect of the Musrenbang process emphasizing that the process is largely driven by local elites, politicians, and bureaucrats. Second, in contrast to various models of participatory budgeting, Musrenbang does not actually provide opportunities for participatory budgeting, only the early-stage planning identification of development projects. The third critique concerns the limitations inherent in the planning processes in bringing about broader social and political change, especially with regard to the type of projects that are allocation (Sopanah, 2012; Sindre, 2012). This means that having a Musrenbang venue in which to participate does not guarantee that the participant will have a voice in shaping administrative decisions (Buckwalter, 2014)
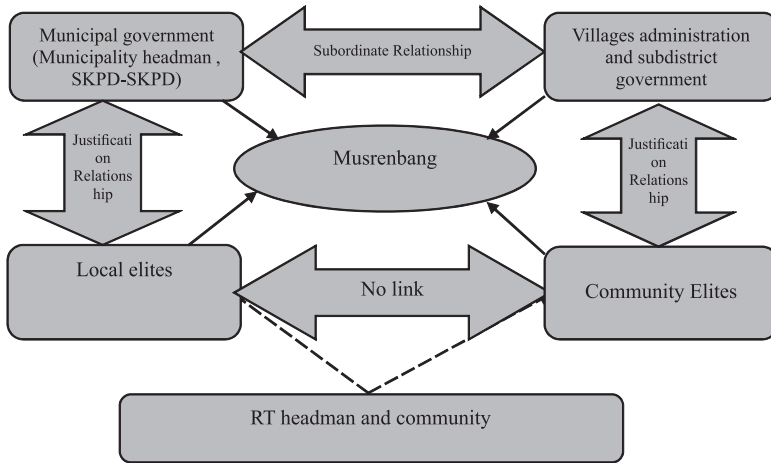
Figure 2.10. Musrenbang in Malang City

Lohk Mahfud, as a member of city council stated that most of the Musrenbang agendas did not run well because the city's mayor, Peni Suparto, had strong influence on both executive institutions and on the city council. As a board of *Partai Demokrasi Indonesia Perjuangan*, the Indonesian Struggle Party city branch, (the dominant party in the city council) he had the capacity to have a good political lobby with the Democrat party and the Golkar party.

However, the formal civic participation via Musrenbang has encouraged bottom-up participation as Antlöv & Wetterberg (2011) pointed out in a different story. They found that there are encouraging signs that civil society engagement in government planning and decision-making processes is becoming more common after the decentralization era. From only around 35 percent of CSOs said they had been involved in public consultations and planning meetings (Musrenbang) in 2005, more than 80 percent had done so by 2009. One case study in Madiun

city, Antlov and Wetterberg (2011) found that the CSO engagement with the state is providing important budget data to local government in order to improve the quality of the city budget. Also in Jepara, the CSO created a Citizen Forum called Jaran (Network for Budget Advocacy [used the Madiun-developed Simrandasoftware]) publicized the **Simrandabudget** analysis through community radio. In early 2009, they made presentations to the Regional Development Agency and the local council on the findings of the **Simrandaanalysis** of the 2007–2009 budgets. The Regional Planning Agency was so impressed with the results that it planned to use the Simranda software in upcoming public hearings on the 2010 local budget. Jaran made plans to train the newly-elected councilors in using the software. In the case of Pattiro (MacLarren, 2011), a CSO role in Semarang and Pekalongan, recall mapping agents and political positions and seeking alliances with reformers within the bureaucracy, Parliament and mayoral circle. In both places, a BAPPEDA planning official championed legislation within the bureaucracy, which was among the most resistant to change in both places. Similar research findings found by Buckwalter (2014) in Pennsylvania and Kentucky show that the closer citizens and administrators start to come in interaction and purpose, the more likely citizens are to be able to influence agency decision.

By comparing and anlyzing those cases above, we propose the several important theoretical propositions about the potentials for citizen centered local governance.

    a.   Local citien participation in local government is affected by the level of substantive citizen empowerment manifest, although its regulations are vacuum (Miles and Huberman, 1994; Antlöv & Wetterberg, 2011; Buckwalter, 2014);

    b.   The level of substantive citizen empowerment is strongly affected by the style of leadership and by whether or not the CSO engages in capacity building between citizens and administrators.

    c.   The use of ICT or social media is able to strengthen local citizen participation in the form of community and leader-organized citizen participation under the tranformational local leader.

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PUBLIC PARTICIPATION IN LOCAL GOVERNMENT: A CASE STUDY OF SELECTED LOCAL GOVERNMENTS IN MALAYSIA

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Introduction

Local government in Malaysia situates at the lowest level after federal and state governments. Under the Malaysian federal constitution (paragraphs 4 and 5 of the Ninth Schedule), local government is under the jurisdiction of the states, yet the federal government also exercises considerable power and influence over local government. The history of Malaysia since independence has shown that power tends to flow from the federal government to the state governments whenever the crises appear. In recent years, however, the balance of power between the federal government and the state governments has shifted considerably particularly as four of the states are under the control of the opposition parties. As a result, there is a constant power struggle between these two governments particularly in regards to appointments of local council presidents and federal allocation for development. In terms of financial, local government accounts for only 1% of GDP. There are 144 local authorities divided into cities (big cities), municipalities (other urban areas), and districts (rural areas). Executive powers reside with the Mayor (cities) or President, supported by a system of committees. Right after the independence, local councils in Malaysia were politically elected. However, due to several factors including political instability and cost escalation, local councilors are now appointed by the state government for 3-year terms (with the option of re-appointment). Most of the time, these councilors are appointed based on political patronage rather than on qualifications.

The Malaysian federal constitution, which came in effect in 1957, outlines the framework of the relationship between federal and state government. It was conceived to strike a balance between the need for a strong central government at the federal level, the rights and powers of the states, and the expectations of Sarawak and Sabah that have special constitutional status and exercise more

independent control over local government than the peninsular states. However, the division of powers between different levels of governments reveals a strong tendency towards the central government. While each state is recognized as an independent tier of government exercising legislative and executive powers within constitutional limits, federal laws take precedence over the states if there is a conflict or inconsistency. This is consistent with the finding by Morrison (1994) that "in practice the states have little real autonomy. Although some federal functions have been decentralized, most decision-making remains at the national level."

Legislation of Local Governments

Local councils, which have not been elected after 1963, including the councilors and the presidents or mayors, are appointed by the state governments. This ruling falls under the jurisdiction of the Minister of Housing and Local Government, under the 1976 Local Government Act. Elections had been suspended following racial disturbances during the 1966 local elections. The abolition of elections for local councilors has resulted in Malaysians losing their right to decide on whom or which political party should represent them in the local councils (Lee, 2005). However, the Malaysian constitution also provides for each state to govern its own arrangements according to local ordinance (Taylor et al., 2008).

The two main divisions of local government are rural district councils and urban centers. There are two types of urban council: city councils and municipalities. All types of local government perform the same functions. Municipalities can be upgraded to cities once they satisfy the required criteria. The distinction between councils is based on the difference between more progressive and financially stronger urban areas and the weaker rural and less urbanized areas (Beaglehole, 1974). City councils are led by mayors, while municipalities and districts are led by presidents. The state governments, elected every five years, appoint mayors, presidents and all councilors. The appointments are for three-year terms, but individuals may be re-appointed. This is uniform across the country. The council decision-making process is through a committee structure determined by the local authority, including the committees provided for in legislation.

Executive powers lie with the mayor in the city councils, and presidents in the municipal and district councils. They are appointed by the state governments, either a part-time or a full-time basis. The state government also sets remuneration. The respective state governments establish executive committees, which are chaired by the mayor or president. Councils can establish other general or specific committees at their discretion.

Intergovernmental Relation in Malaysia

The content of power and regulation as stated in the Federal Constitution 1975 can be seen in the flow of authority between federal, states and local government as shown in Figure 1. This relationship shows that the federal government has the authority over branches of the councils. At the top, the federal government has full authority to determine policies and local government laws to avoid any conflict with central government as well as to give advice; provide technical support and maintain administrative reform. In certain cases, the federal government cooperates with the state government to introduce new policies or new administrative functions for the local government (Hussain, 2002).
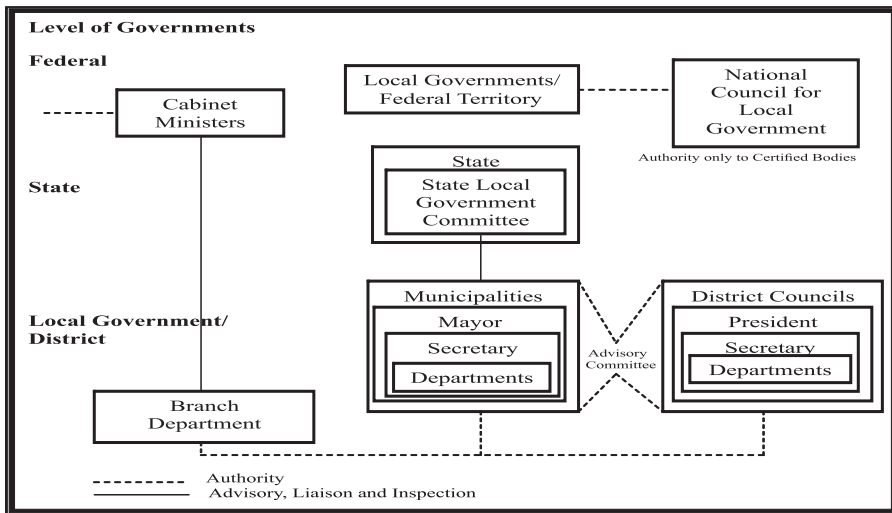
(Source: Hussain, 2002)

Figure 3.1. Malaysian Local Government System

Democractic Decentralization

Local government is a form of decentralized system to transfer power or responsibility for management, decision making, or resource allocation from higher levels of government to lower unit (Sarkar, 2003). The role of local government is very different from one country to another depending on many factors, but in any democratic society local governments have some part to play (Alan, 1997). In most countries of South Asia, rural authorities are characterized by weak institutional capacity to deliver public services and promote local development. There are wide variations in the structure and composition of local government bodies in South Asia.

Decentralization can be understood as a political process in which the administrative authority, resources and public responsibilities are transferred from central government to lower level such as local government and non-governmental

organizations (NGOs) (Crook and Manor, 1998; Rondinelli, 1981). Democratic decentralization is a conversion of some state functions and resources from the central government to the party who has been appointed under local government agencies to simplify the management process and increase public participation. Since mid-1980s, countries in Asia-Pacific region have been pressured to improve the government administrative system through decentralization (Smoke, 2007). Currently, there is a widespread movement across Asia to reform the local government especially in delegating and decentralizing authority to the local government. A reasonable success has been achieved in this decentralization process in local government in Asia-Pacific.

There are several types of decentralization. There is administrative, politics and fiscal and market decentralizations. Administration, politics, financial and market decentralization may appear in the forms and combinations across countries as well as within countries. Political decentralization aims to give the people or their representative more power in making decision-making. Such democratic decentralization promotes and upholds democratic principles especially by empowering local citizens to discuss policies that affect their lives (Jennie and Richard, 1998).

Decentralization has been defined by many scholars as the transfer of power and authority from higher level to the lower level (Rondinelli and Nellis, 1986; Rahman, 1996). There are three forms of decentralization in administration (Sarah and Matthias, 2005); de-concentration, delegation and devolution. Each from have different characteristics. De-concentration is often regarded as the weakest form of decentralization and is often used in financial matters and maintenance of the government (Ali, 1995; Islam, 1997). In the other words, federal government will assign specific responsibility to the workers in the local area under the supervision of the central government. This form of decentralization is popularly practiced by most countries in Africa and Asia such as Kenya, Tunisia, Tanzania, Maghribi, Algeria, Pakistan, Philippine, Indonesia and Thailand in past decades (Islam, 1997 and Hyden, 1983).

Delegation is a broader form of decentralization. It involves the transfer of responsibility to make decisions and lays the administrative functions by the central government to the local governments (Nooi, 2011). The local agencies do not have complete autonomy to make decision and if needs arise; they will have to refer to the central government for advice (Khan, 2009). Devolution is the third form of decentralization. Devolution is about power transfer, including making laws to local agencies (Conyers, 1986). There are four characteristic in explaining the principles of devolution identified by Cheema and Rondinelli (1983). First is the power to be transferred to the local unit without any direct control from

the central government. Secondly, local government has the authority and power to look for resources to carry out its function. Thirdly, local agencies are given autonomous responsibility to operate in a specific locality, and fourthly, it is a reciprocal arrangement, mutual benefits and closed relationship between central and local government.

Local government's responsibilities for carrying out all the projects and services have become one of the main aspects of the decentralization system in Asia-Pacific (House of Commons, 2009). However, the relationship between central and local governments sometimes is not always rosy (Serdar Yilmaz, Yakup Beris, and Rodrigo Serrano-Berthet, 2008). This is because, there are still tendency by the central government not to grant full autonomous power to the local governments. Their unwillingness to let go of its power to the local authority has certainly given problems to the local governments. For example, local government's activities in Vietnam and China, for example, are supervised by central government (Haifeng Huang, 2013). In Japan, the local financial management remains under the supervision and control of the federal ministry. Philippine's local governments also have large power and resources but fiscal functions subjects to the guidelines of the central government. Local civil servants in Pakistan remain under the state control, and administrative and fiscal decentralization in India lags behind domestic political reform.

Multiparty democracies flourish at the local level in most of the Asia-Pacific region where the local elections are the norm in determining the governing political party. There are notable exceptions in New Zealand and Australia where non-partisan or independent parties remain dominated except in big cities. Turnout ranges for some countries which at the highest percentage is 90% in Vietnam, 80% in the Philippines and China 56% (2003), 52% (2004) and 47% (2005) in Japan, new Zealand and Pakistan and also Thailand's Bangkok Metropolitan Administration each in a very low percentage around 35% (United Cities and Local Governments, 2008). Mayor-council system is very common throughout the Asia region though the practice is different in local elections. In most countries, people continue to choose their local government legislature (councils) as well as their executives (mayors) except Malaysia where the state government appoints local councils and executives. In China and Vietnam, local communities elect congress or councils respectively, although the candidates are subjected to a screening process beforehand. Local councils also nominate representatives to bodies at a higher level in the city, county and regional level.

The term of office of the local executive is different in Asia where it starts at least three years (New Zealand and the Philippines) to a maximum five years (Australia, China, India, Indonesia and Vietnam). There are some countries which

make restrictions on the number of executive officers; two in Indonesia and three in Thailand and Philippines. However, with the clear provisions of the law that supports the inclusion of society, this process can be politicized, so as to affect the rights of those who are not able to speak up and helpless people who actually should benefit from the development of local democracy. Clear caution has been given by the decentralization laws in this country for women and disadvantaged groups, especially by involving them in the decision making process (Capistrano, D. 2008). For example, the Indian government has prepared a place for women issues in the election of local council's caste (Rai, S. M., 1997). Pakistan also provides a place or special seats for the representative for non-Muslim, farmers and workers in local councils (Cheema, Ali, Asim Ijaz Khwaja, and Adnan Qadir, 2005). The decentralization law in Philippines also provides places for woman's representatives and the poor in local councils.

Despite the limitations of democratic decentralization, people continue to exercise popular control over government officers (Luckham et al., 2000; Putzel, 1997b). Decentralization is believed to create some conditions for restructuring more pluralist politics, where the groups can articulate and institutionalize their interest in local democracy forums (Rondinelli et al., 1989; Crook and Manor, 1998).

Democractic and Public Participation

Democracy may be a familiar word to the people but the concept is still misunderstood by some leaders where some of them claim that they are following democratic style while performing dictatorial style. Democratic refers to the state government's representative among people (representative democracy). Diamond and Marlino (2004) argue that democracy requires; 1) the right to vote; 2) fair and competitive election; 3) more than one political party; and 4) variety sources of information. The basic conditions to achieve the ultimate goal of a democratic system are freedom, democracy and equality. Democratic system depends on the selection of elected representatives, who are entrusted to make decisions and implement public policies, in accordance with all requirements by the public. This is due to the people who elected the representative to work on behalf of them (Sandra Firmino, 2010). Democracy and freedom are frequently used interchangeably, but they are not the same. Democracy is certainly a set of principle and ideas about freedom and contains procedures and practices that have been formed through an extensive, often tortuous history. Democracy is the organization of freedom. Democracies fall into two basic categories which include direct and representative. In a direct democracy, citizens without the intermediary elected or appointed officials can participate in making decision.

Democratic system will not function properly in the absence of political parties and effective governance. Particularly, perfect democracy requires the community agreement. Perfect democracy derived from the people's wishes with the aim of achieving political, economics, and social stability (HM. Thalhah, 2009). The analogy of freedom is the guiding principle in determining its own needs. According to Hans Kelsen, the majority voice did not dominate the minority. The majority's principle in a democracy country can only be implemented if all people are allowed to participate in the administration. Freedom in democracy should encourage people to move together, find common purpose and resolve their differences without fully relying on government (Schmitter P. C. and Karl T.L., 1991). Democratic society with political freedom encourages people participation to determine the direction of the country and choose the appropriate leaders (Arthur K. Looms, 1994).

According to Woolner (2008), democracy is a process adopted by a country to ensure the safety and well-being of the citizens. This process meant to generate and lead a country towards perfect political development and progress under a quality leadership. Democracy is also shaped and influenced by culture. Freedom and sovereignty are emphasized by the evolution of liberalism, which stated that democracy is part of political ideology (Mujibu Abd Muis, Zaliha and Badrul, 2010). At this point, the term nation-state, social justice, freedom, capitalism, and civil society are the translation of democratic system adapted from liberal ideology. In the Malaysia context, democracy still flourishes because of its commitment to implement seven principles of democracy namely; independent and free media, freedom of expression(voice), freedom of association, freedom and justice, majority government, minority rights are maintained and there is a fair judiciary and independent and impartial (Zaini, 2006).

Von Vorys (1975) said that Malaysia is a democratic country without consensus. This statement is supported by Jesudason (1995) who said that democracy in Malaysia is a static democracy. This is because, due to the influence of colonization, Malaysia's brand of democracy is a continuation of the system that typifies strong and authoritative federal. Nonetheless, the country has been progressing well in terms of promoting democratic idealism such as empowering more citizens to make decisions that influence their live at the local level (Mohd Zulhairie, 2013). In fact, Malaysia is now proud of its status as consensus democracy model.

Zakaria Ahmad (1989) explains that the consensus democracy system in Malaysia is a quasi-democracy (half-quasi). This is despite the existence elements of democracy such as elections, parliament, and opposition parties and so on; there are still barriers in the system to maintain racial harmony. This can be

evidenced through the short campaign period when elections, the existence of acts that restricts people to speak and introduction of seditious act that prohibits any individual from raising sensitive issues in the traditional and social media.

Citizenship in a democratic government needs participation for democracy to succeed. Citizens should educate themselves about the critical issues facing society. The essence of democratic idealism is the peaceful, active, and vibrant participation of its citizens in the public life of their community and nation. Public participation can be considered as the basis of democracy.in the context of democracy (Shapiro, 2003). However, for the past few decades, the demand for participation has grown tremendously at the local level, state and national (Keyssar, 2000). The level of public participation has been characterized by the ladder of participation, where each level indicates the power of public voices (Arnstein S., 1969). The higher the ladder is; the stronger the voices of citizens (Azni and Nuraisyah, 2013).

Participation also means that stakeholders have influences and control over priority setting, policy, allocation of resources and access to goods and services (World Bank 2013). This participatory process provides an opportunity for the public to share all the views and ideas to influence and get involved in planning and conservation (Azni and Nuraisyah, 2013). Participation and involvement from the public open an opportunity to improve the germination of new ideas and creativity (Purvis & Purvis, 2012; Aarikka-Stenroos & Jaakkola, 2012; Nambisan & Baron, 2007); as well as promoting the sharing knowledge in making democratic government's success (Michel et. al., 2008).

Public participation is usually practiced as an effective mechanism in developed countries to improve results in decision making process (Enserik & Koppenjan, 2007). This mechanism has been practiced through the developing countries since the 1990s to reduce socio-economic disputes (Ogunlana et al., 2001; Almer & Koontz, 2004). However, the effectiveness of the practice of public participation in developing countries remains a contentious issue (Manowong & Ogunluna, 2006; Almer & Koontz, 2004). There are some scholars who argue that the ineffectiveness of the practice of public participation in developing countries are caused by the lack of democratic participation (Manowong & Ogunluna, 2006; Almer & Koontz, 2004).

For example, in Malaysia, the need for public participation has increased due to the growing population, the influence of modern infrastructure and technology and urban development, as well as the increased awareness among citizens (To & Chung, 2014; UNDESA, 2012). United Nation (UN, 2012) realizes that the people's support to the government can only be achieved through

the development in economic, social, political, security and environment's stability as well as the active involvement in the community (de Silva & Wates, 2012). Therefore, the government should be responsible to let people get access to important information and allow public to participate in decision-making processes, and define ways to enable people to access to judicial and effective administrative (de Silva & Wates, 2012).

Public participation is very important to ensure that there is collective bargaining done to avoid arguments, besides supporting the government. In the context of this country, public participation is still weak because the lack of public knowledge and awareness among citizens. Currently, all government and public efforts are geared towards improving social conditions through public participation. Gaster (1997) in his study stated that the provision of local government services to the public today has been influenced by public participation.

In addition, Heller (2001) believes that democracy increases the public participation. His research conducted in Kerala and Porto Alegre found that public participation can be strengthened and expanded in local authorities to enhance the capability of democratic system. A study in South Africa found that the transition to democracy has brought the government's commitment to develop a democratic system at the local level. The efforts do show opportunities to improve accountability through public participation in democratic country.

Consequences for Public Participation

Because local government in Malaysia operates within a centralized political system, it presents a major issue to encourage public participation at the local level. While the federal government exhorts application of the principles of good governance such as transparency, accountability and participation, local government's subordinate position within the government hierarchy curtails its ability to encourage participation from the local community. Local government faces constant criticisms over delays, poor attitude, and weak enforcement. When the Malaysian Administrative Modernization and Management Planning Unit (MAMPU) conducted a survey on public service delivery system, it received nearly 700 emails of criticisms and suggestions from the public (The Sun, 2007). In addition to that, the Complaints Bureau of the Prime Minister's Department often receives complaints regarding weaknesses in government administration including slow and ill-mannered public counter services (New Straits Times, August and September, 2000. In response to such problems, the Ninth Malaysia Plan 2006-2010 highlighted the urgency of improving the local government delivery system. The Government continuously strives to improve the quality of public services because it is a fundamental prerequisite toward achieving the

Vision 2020. Towards this end, the Government will continue to engage the community particularly at the local levels (Malaysia, 2006). This is in line with the aspirations and leadership paradigms of the current premiere that seeks for citizen participation as a way to democratize all government agencies from all levels. Once this is successful; then government will be able to bridge the perception gap between the demands of the community and what local authorities are currently delivering.

Case Studies of Public Participation in Six Local Governments in Malaysia

Local authorities continue to push forward the agenda for public participation. This practice is in line with the Local Agenda (LA) 21 in which Malaysia is one of more than 178 countries that is a signatory to the Earth Summit Conference in Rio. The agreement calls for local authority to involve directly in the promotion of sustainable development through participation from local citizens, NGOs, and private sector. As a result, where applicable, The Five Year Malaysia Plan incorporates the LA 21 in its development programs at the federal, state, and local levels. Because of that, local authorities have taken necessary steps to ensure that a philosophy of balanced development as envisaged in Agenda 21 is not neglected. Towards this, a series of programs at the local level have been introduced to educate the public on the importance of citizen involvement in the decision making process of local governments. However, there are some concerns regarding time and resources that impede the ability of local authorities to engage citizens in their programs.

For example, it is quite revealing from the questionnaires survey distributed to six local governments in Malaysia that traditional approach to public participation is well entrenched among the surveyed local governments. In fact, complaints and suggestion schemes are almost universally in practice by the local governments. The findings also indicate that there are various initiatives undertaken by the authority to engage the public. The questionnaires provide a list of eighteen different approaches to seek citizen participation—from traditional methods such as public meetings and consultation documents to the more innovative approaches like visioning exercises and interactive websites. Survey respondents from among the community members were asked to reflect on a series of questions relating to each form of public participation.

As indicated by Table 1, among the approaches to participation, complaints/ suggestion schemes, service satisfaction surveys, and community work remain the most popular ways of expressing public views towards the local government. However, there are also indications that people also utilize other methods such as interactive websites (82 responses), community plans (70 responses) and question

and answer (Q&A) session to get in touch with the local government. These findings are positive because it shows an increasing trend among the general public to get involved in local government decision-making. Table 1 also reveals that a pattern of participation tends to be influenced by the setting of local government. For example, a more urban outlook of Alor Setar City Council displays a greater tendency for its citizens to be actively involved in matters related to their interests as opposed to rural setting in which local governments such as Langkawi Municipalities and Baling District Council that indicate a lesser degree of public participation. Perhaps, it is timely that the federal government pays attention to this nuance so that more concrete actions can be stepped up to educate the public particularly in the rural areas on the importance of citizen involvement in order to realize the goal of sustainable development.

Table 3.1. Comparative Analysis of Public Participation

Participation Initiatives	Community View										
Local Authorities	Alor Setar City Council		Pendang District Council		Baling District Council		Langkawi Municipaliti		Pulau Pinang Municipaliti		Kangar Municipaliti
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Complaints/ Suggestion Schemes	40	80	39	78	10	100	5	100	10	26	12	100
Service Satisfaction Surveys	36	72	18	36	9	90	4	80	3	7.9	8	77
Other Opinion Polls	36	72	11	22	6	60	3	60	0	0	4	33
Interactive Website	38	76	23	46	9	90	5	100	1	2.6	6	50
Referendums	38	76	6	12	4	40	5	100	0	0	3	15
Community Plans/need Analysis	37	74	15	30	5	50	5	100	3	7.9	5	41
Citizens' Panels	38	76	10	20	4	40	3	70	8	21	4	33
Co-option/ Committee Work	38	76	14	28	1	10	5	100	20	52	12	100
Question and Answer Sessions	38	76	16	32	2	20	5	100	1	2.6	8	77

Consultation Documents	32	64	7	14	2	20	2	40	0	0	3	15
Public Meetings	37	74	17	34	2	20	4	80	1	2.6	7	58
Citizen's juries	37	74	7	14	0	0	0	0	0	0	3	15
Focus Groups	37	74	3	6	0	0	1	20	0	0	3	15
Visioning Exercises	37	74	0	0	0	0	0	0	1	2.6	3	15
Service User Forums	37	74	7	14	1	10	0	0	0	0	4	33
Issue Forums	38	76	6	12	0	0	0	0	0	0	4	33
Shared Interest Forums	37	74	10	20	0	0	2	40	0	0	4	33
Area/ Neighbourhood Forums	39	78	12	24	0	0	2	40	1	2.6	7	58
Total Respondents	50		50		10		5		38		12	

Conclusion

While much depends upon local government, it is undeniable that central agencies too are responsible for supplementing and complementing programs to improve public participation at the local governments. In particular, the public service has to re-examine its work procedures and try to reduce burdensome paper works. "Public organizations are identified as rigid bureaucratic cultures which are shaped by their own internal interests, and are-therefore not responsive to the needs or preferences of those who receive public services: ordinary citizens." (Minogue, 1998) Clearly, reducing complex bureaucratic procedures is one of the main objectives of the New Public Management philosophy to which Malaysia is committed. Fortunately, various government reports have exhibited an improved performance of many government agencies (see unpublished reports of Ministry of Finance, 2006; Ministry of Housing and Local Government and Economic Planning Unit, 2006; Ninth Malaysia Plan, 2006). Similarly, there was also a report on how local authorities can improve their functions and services by following a prescribed international standard (National Institute of Public Administration, 2004). This was followed closely by a report of the Ministry of Housing and Local Government and the Economic Planning Unit on necessary local government reforms (Ministry of Housing and Local Government, 2(06). Previous empirical studies have revealed that current lack of public participation is not solely the result of a weak administrative system, but is also attributed to the absence of a transparent method for public participation and consultation. With

the support by the Ministry of Housing and Local Government on a national program for implementation of Local Agenda 21 (LA 21), the need to expand community participation and involvement in the work of local government seems pressing. However, the initial enthusiasm for this program was not sustained and not all local authorities embraced LA21 promoting public participation (Ministry of Housing and Local Government, 2002). Nevertheless, LA 21 did generate a number of promising initiatives (Kaur, 2005; Noor Hazilah, 2(03), whilst various non-governmental organizations and voluntary groups have renewed calls for better community participation and transparency.

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Assessment on the Budgeting Process in the City Government of Tagum
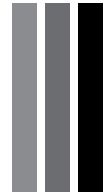
Nor-Aima Serajan Saro-Dilna

Introduction

Background of the Study

In most developing countries, the attainment of development goals and the implementation of government programs are greatly influenced by the availability of human and non-human resources, and considering that the national development task is gigantic while resources are scarce and limited, there is a need for an effective allocation of these resources in order that these will be more responsive to developmental needs (Briones, 1996).

Fernandez (1973) mentioned that despite the increasing recognition and promotion of decentralization and local governance for sustainable development in different parts of the country, local governments in many cases are often unable to perform the tasks which have been delegated to them. Furthermore, the same author stresses that in most instances, weak capacities of local governments for stakeholder consultation, integrative planning, mobilization of partnerships and resources for implementation and monitoring and evaluation have been identified as common problems (Fernandez, 1973). Moreover, many local government units (LGUs) are beset with problems related to the budget process. Celestino, Malvar, and Zipagan Jr. (1998), identify some problems in the budget process in the local level, such as the non-submission of documents on time for budget review, non-submission of work and financial plans and request for allotments by department heads which impede budget execution as well as overspending on the part of LGUs for personal services with some funds being disbursed without corresponding appropriations.

The City Government of Tagum with its steady supply of basic social services, competitive human resources, continuing infrastructure development and efficient local governance and vast investment opportunities still has a qualified opinion in the audit done by the Commission on Audit (COA) in 2011. In interviews done by the

researcher among some LGU personnel and based on some documents gathered, it was revealed that some problems and issues exist related to the management of Tagum's local finance. Ostensibly, there was weak monitoring and review on the issuance, liquidation and reporting of collections on terminal fees that affected the accuracy and completeness of reported collections. There were also anomalous procedures in the purchase or donation of land properties which were not fully transferred to the name of the City contrary to what is required by COA regulations on expenditures on the acquisition of land thus the LGUs ownership of properties was not fully established and completeness of the recorded land account was not attained. Moreover, other issues were raised against some practices of the LGU of Tagum such as funds received under the Priority Development Assistance Funds (PDAF) were not utilized for more than two (2) years contrary to its intent and purposes thereby depriving the beneficiaries of the intended projects benefits; proceeds from loans were accounted as trust fund which allowed releases of disbursements without proper allocation; procurement of various inventory items consisting of supplies and other materials and construction materials were not coursed thru the inventory accounts; and failure to submit by the LGU's General Services Office the results of the physical inventory of all City Government properties resulting to imbalances in its book of records.

In consideration of the foregoing and the dearth of literature and empirical findings on the status of local public finance, this study was conducted to assess the budget process of the City Government of Tagum and the extent of its compliance to the standard budget process as prescribed by the law.

Statement of the Problem

The main problem of the study was to determine the actual process of budgeting in the City Government of Tagum and the extent of its compliance to the standard budget process prescribed by the Department of Budget and Management, Commission on Audit, the 1991 Local Government Code, and the budget theory. More specifically, this study sought to answer the following questions:

1. What are the salient features of the standard local planning and budgeting processes as required by the government policies and other legal sources such as memoranda and manuals of authorized bodies / agencies?

2. What are the actual practices in local planning and budgeting in the City Government of Tagum in terms of a)planning and budgeting linkage, b)budget preparation, c)budget authorization, d)budget review, e)budget execution and f)budget accountability?

3. What is the extent of compliance of the City government of Tagum with the

standard local budgeting process?

4. What are the problems encountered by the respondents in local planning and budgeting process of the City Government of Tagum?

5. What are the recommended solutions to the perceived problems encountered in planning and budgeting?

6. What interventions can be proposed to improve the budgeting process of the City Government of Tagum based on the findings?

Theoretical Framework

Samonte (1978) as quoted by Briones (1996) believes that a vital area in any government organization relates to the allocation of public resources. Budgeting is one of the major processes by which the use of human and material resources of the government is planned and controlled. This contention was further stressed by Taylor (1961) as quoted by Briones, (1996) who said that:

> *"Budget is the master plan of government. It brings together estimates of anticipated revenues and proposed expenditures, implying the schedule of activities to be undertaken and the means of financing those activities. In the budget, fiscal policies are coordinated, and only in the budget can a more unified view of the financial direction which the government is going to be observed."*

While Taylor (1961) looks at the budget as a master plan, Grooves and Bish (as cited by Briones, 1996) consider budgeting as the process through which the public expenditures are made. While consideration of revenue constraints and taxation are inherent in the budget process, budgeting is generally treated as a part of the expenditures process rather than as a   revenue – raising process. Therefore, to Grooves and Bish (as cited by Briones, 1996), the budget is necessary to provide a comprehensive view of revenues and expenditures to facilitate the process of rationing involved in raising and spending of public revenues. In this aspect, according to the same authors public budgeting serves as the allocation of expenditures among different purposes so as to achieve the greatest results.

On the other hand, according to Nolledo (1991), budgeting in the local scene furnishes an interesting study of power play with all its underpinnings. Conducted in a political arena, government budgeting as a process has been oriented towards the enhancement of narrow, particularistic interests, giving free rein to actuation inimical to the public well. Furthermore, according to Nolledo (1991), the Local Government Code of 1991 paved the way for greater local autonomy in local public finance in an effort to bring government closer to the doorsteps of the people. As local government take on greater roles in the provision of public services, they require greater resources and the means to generate these.

At the same time, greater decentralization brings with it the need to strengthen mechanism for transparency and accountability in local government budgeting and spending (Nolledo, 1991).

The same author juxtaposes that local budgeting is the programming of funds to accomplish the targets set in the development plan. The local budget therefore should be based on the Local Development Plan, Local Development Investment Program, and the Annual Investment Program. Given the local plan, the Local Budget Process is undertaken in five (5) phases, namely: (1) Budget Preparation, (2) Budget Authorization, (3) Budget Review, (4) Budget Execution, (5) Budget Accountability (Nolledo, 1991).

Conceptual Framework

The analytical model used in this study was the operating system model which analyzes the input and thru-put systems in determining the output.

In this study, the input factors considered were the actual practice on planning and budgeting in the City government of Tagum in terms of planning and budgeting linkages, budget formulation/preparation, budget authorization, budget review, budget execution, budget accountability. These input factors were assessed through the standard budgeting process prescribed by the Local Government Code of 1991, DBM-COA, and the Budget Theory.

Moreover, this study would also measured, identified and described the level of compliance by the Tagum City government to the prescribed budgeting process. It was assumed that there were problems encountered by the respondents in the planning and budgeting processes and they had proposed solutions to the problems.

Conceptual Model

Inputs ⟶ Thru – Put ⟶ Outputs

Standard Local Planning and Budgeting Processes

Actual Practices on Local Planning and Budgeting

a. Planning and Budgeting Linkage
b. Budget Preparation
c. Budget Authorization
d. Budget Execution
e. Budget Review
f. Budget Accountability

Assessment of compliance of Actual Planning and Budgeting Practices vis-a-vis Standard Planning and Budget Processes
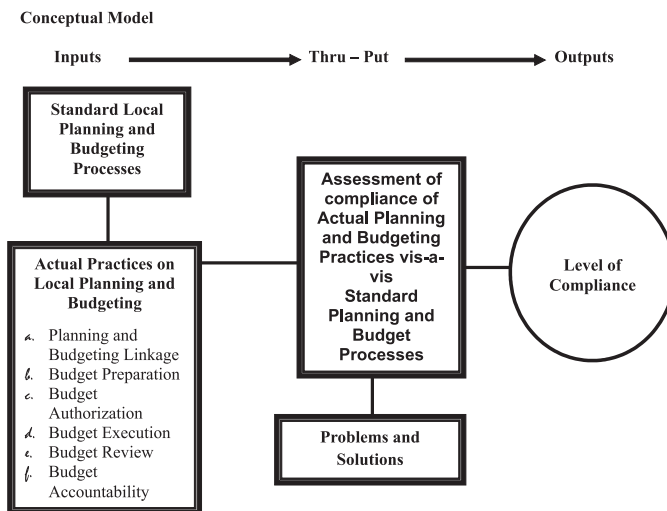
Level of Compliance

Problems and Solutions

Figure 4.1. Analytical Diagram showing the Interrelationships of the Concepts of the Study

Salient Features and Steps of the Standard Planning and Budgeting Process Prescribed by Government Policies and Regulations

Planning and Budgeting Linkage

The linking of planning and budgeting has a sound legal basis. This has been enshrined by specific provisions of the Local Government Code of 1991 or RA No. 7160. Moreover these provisions have been supported by other legal sources such as DBM-Budget Operation Manual of 2008 and the Local Government Budget Manual of 2005.

Operationally, before the starts of the budget preparation activities, the Local Development Council (LDC) furnishes the Local Finance Committee (LFC) with copies of the Local Development Plan (LDP) and the Annual Investment Program (AIP). LDP and AIP guide the LFC in coming up with its recommendations in planning for the annual expenditure levels and / or ceilings, as well as proper allocation of expenditures for each development activity (Celestino, Malvar, Zipagan, 1998). Local Budgets shall operationalized according the approved Local Development Plan, emphasizing thus the need and importance of linking planning and budgeting. Without the plan, there is no basis for the programming of funds, and there is no basis also for budgeting. Moreover, the Local Government Budget Manual (2005) emphasizes that, plan set the priority areas of services and specifies the target output and accomplishments while the budget on the other hand, allocates the resources available to carry out activities required to accomplish the targets.

In addition to the integration of planning and budgeting in the translation of development plan, Budget Operation Manual for LGUs (2008 edition) was also required the Local Government Units (LGUs) to adhere the genuine and active participation of people in planning and budgeting process to promote and establish transparency and accountability in all their transactions. LGUs shall expand participation and involvement of people in Local Development Councils (LDCs) and Local Finance Committee (LFC) in the sharing of ideas, information and experiences in setting direction and allocating available resources. The purpose is to draw concerned citizens together to participate in decision-making (BOM for LGUs, 2008 edition).

Budget Preparation Phase

The Budget Preparation is the first phase in the local budget process. It involves cost estimation per Program/Project/Activities (PPAs), preparation of the budget proposals, executive review of the budget proposals, and preparation of the Budget Message, Local Expenditure Program (LEP), and the Budget of

Expenditure and Sources of Financing (BESF). There are six (6) steps in Budget Preparation according to the Budget Operation Manual for LGUs:

1. Issue the Budget Call. This executive directive is prepared based on the approved AIP.

2. Heads of offices/departments prepare budget proposal and submit it to the Local Budget Officer (LBO) for review and consolidation.

3. Conduct technical budget hearings to rationalize the existence of the department/office and to validate the expected output and cost estimates for the budget year and evaluate budget proposals using the output and cost criteria.

4. Prepare the Local Expenditure Program (LEP) that composed of five (5) parts: a.) the receipts program which cover the immediate past year, the current year, and the budget year; b.) the expenditure program which shall be presented be sector, department or office, special purpose appropriations, PPA, and the expense class for a three year period; c.) the Special Purpose Appropriation; d.) the General Provisions, including guidelines on receipts, income and expenditure policies; and e.) the Summary of the Fiscal Year New Appropriations by Department/Office and Special Purpose Appropriation.

5. Prepare the Budget Message and Budget of Expenditures and Sources of Financing (detailed and graphical presentation of the expenditure program of the LGU covering actual obligations for the past year, actual and estimated expenditure for the current year and the proposed budget program for the ensuing year.

6. Submit Executive Budget to the Sanggunian not later than the 16th of October of the current year (Section 318, R.A. No. 7160).

Budget Authorization/Legislation Phase

The Budget Authorization/Legislation is the second phase in the local budget process. This legislative function of enacting the ordinance authorizing the budget is in accordance with the fundamental principle that "No money shall be paid out of the local treasury except in the pursuance of an Appropriation Ordinance or law". There are three (3) steps in Budget Authorization as mandated in the Budget Operation Manuals for LGUs, 2008 Edition:

1. Enact the Appropriation Ordinance. Section 319 of RA No. 7160 provides that "On or before the end of the current fiscal year, the Sanggunian concerned shall enact, through an ordinance, the annual budget of the local government unit for the ensuing fiscal year on the basis of the estimates of income and expenditures submitted by the LCE."

2. Approve the Appropriation Ordinance. This shall be presented to the LCE for approval, in which case, the LCE shall affix signature on every page thereof. Otherwise, the LCE shall veto it and return the same with the objections to the Sanggunian which may proceed to reconsider the same. A veto may be partial or total.

3. Submit the Appropriation Ordinance for Review.

Budget Review Phase

The Review is the third phase in the local budgeting process. Its primary purpose is to determine whether the ordinance has complied with the budgetary requirements and the general limitations set forth in the Local Government Code of 1991 as well as provisions of the other applicable laws. There are three (3) steps in Budget Review as stipulated in the Budget Operation Manual for LGU, 2008 Edition:

1. Check the Appropriation Ordinance with the Appended Budget Documents. Using LBR Form No. 1A and No. 1B (Checklist on Documentary and Signature requirements for the Annual and supplemental Budget), the DBM RO or Sangguniang Panlalawigan shall check if the budget documents with the required signatures have been submitted together with the Appropriation Ordinance.

2. Review the Appropriation Ordinance. Using the Budget of Expenditure and Sources of Financing (BESF), the reviewing officer shall validate the provisions of the appropriation Ordinance for compliance with the budgetary requirements and general limitations.

3. Issue the Review Action

Budget Execution Phase

Budget Execution is the fourth phase in the local budget process. It involves the release of allotments and the certification of available appropriations and cash; the recording of actual obligations and the disbursement of funds for authorized PPAs to produce goods and service that will benefit the general public. A critical aspect of this phase is the collection of funds, such that disbursements do not exceed appropriations. While seemingly a separate activity, the collection and /or receipt of revenues are considered an integral part of budget execution. There are six (6) steps in Budget Execution (BOM for LGUs, 2008 Edition)

1. Record the approved appropriations per Appropriation Ordinance in the appropriation registry. On the first business day of the fiscal year, the Local Accountant shall record the entire annual budget of the LGU in the Registry of Appropriations, Allotments and Obligation (RAAO).

2. Release of Allotments. Local Budget Matrix is issued to effect the comprehensive release for a particular department/office. Release of reserve amounts or amounts for later release, including appropriated amounts under the needing clearance of the LBM shall be effected through the use of Allotment Release Order (ARO) or Local Budget Execution Form No. 2

3. Prepare the Cash Program and Summary of Financial and Physical Performance Target.

4. Obligate and Disburse Fund. Pursuant to the modified accrual system under the New Government Accounting System (NGAS), obligation shall be taken up in the accounts of that year.

5. Adjust cash program for shortages and overages. The LFC, through the Local Treasurer, shall use the results of the cash flow analysis as basis for adjusting the cash program and the financial and physical targets.

6. Provide corrective actions for negative deviations.

Budget Accountability Phase

Budget Accountability is the last phase of the budget process. It is essentially accounting for the performance of the LGU in terms of income/revenue generation and resource utilization for the implementation of its PPAs for the year. Basically, it is the evaluation of the LGU's performance in the execution of its budget. Accounting for the local budget involves two steps:

1. Monitor Income and Expenditure. The budgets of LGU are accounted for on the first day of the fiscal year. The estimated income and appropriations in amounts approved and reviewed are recorded in the books where they shall be compared with the actual collections and disbursements for the same period.

2. Evaluate Performance of each Department. The other component of accounting for the budget is the assessment of the performance of the LGU primarily through a review of outputs/accomplishments against performance standards and targets.

Actual Practices in Planning and Budgeting

Practices in Planning – Budgeting Linkage

It is shown in Table 1 that a total weighted mean of 3.65 was obtained in the responses of statement indicators on actual practices in observing linkage between development planning and budgeting in the LGU of Tagum City. This result means that insofar as the indicators were concerned, the planning and fiscal officers of the said LGU always observed the need to link plans with allocation

and expenditure of LGU funds. Moreover, a closer examination of the same table reveals that with a mean score of 3.3, the findings suggest that the City government's department heads, local finance committee members, staff, and sectoral representatives often participated actively both planning and budgeting for local projects and programs.

The findings imply that generally, the City Government of Tagum has been observing the required linkage of development plans to the formulation of the City's budget. Moreover, the findings imply that the structure, processes and perhaps, policies in local public finance insofar as the initial linkage between development planning and investment planning to budget are concerned are in place. These findings are in keeping with the contention that local budget plans and goals shall as far as practicable be harmonized with national development plans and the approved local development plans (Nolledo, 1991; Local Government Code of 1991)

Table 4.1. Frequency, Percentage and Mean Score Distribution of Responses on the Actual Practice of Planning-Budgeting Linkage

Statement Indicators	Mean	Verbal Interpretation
1. There is an integration or linkage of planning and budgeting in translation of development plans and programs into concrete realities.	4.0	Always
2. Department heads, committee members, staff and sectoral representatives are actively participating both in planning and budgeting of projects, programs and activities.	3.3	Often
Total Weighted Mean	**3.65**	**Always**

Practices in Budget Preparation

It is indicated in Table 2 that majority of the respondents perceived that the City Government of Tagum often followed the standard budget preparation as prescribed by the DBM-COA and the 1991 Local Government Code, as the total weighted mean of 3.3 shows. Hence, the findings in table 2 indicate that the LGU of Tagum City did always practice the issuance of a budget call based on the approved AIP (x= 3.8). Also, the said LGU always practiced the conduct of an Executive Budget Review by the LCE prior to the finalization of the Executive Budget. However, the finding on the third indicator speaks of a deviance from the standards. The respondents said that department heads seldom prepare and submit budget proposals to the Budget Officer for review and consideration. This finding was sustained by one of the key informants who said that "there is a one

man rule in budget decision; budget allocations are already provided, as well as the PPAs whether we want it or not."

The findings imply non-participative practices in the budget preparation phase of the LGU of Tagum City. This non-participation of operational level employees and perhaps, the people through accredited CSOs may compromise the efficacy of the budget as a tool or mechanism to promote the welfare of the majority – the City of Tagum.

Table 4.2. Frequency, Percentage and Mean Score Distribution of Responses on Actual Practices in Budget Preparation

Statement Indicators	Mean	Verbal Interpretation
1. Local Chief Executive issues Budget Call based on the approved AIP, LDP and LDIP.	3.8	Always
2. Heads of offices/department prepare and submit their budget proposals to the Budget Officer for review and consolidation.	2.3	Seldom
3. The Local Chief Executive conducts an executive review of the budget prior to the preparation of the Executive Budget.	3.7	Always
Total Weighted Mean	**3.266**	**Often**

Practices in Budget Legislation / Authorization

Table 3 shows that the respondents with a mean score of 3.9 agreed that the process for selecting and approving the budget assures consistency with the fundamental principle which states that "No money shall be paid out of Local Treasury except in the pursuance of an appropriation ordinance or law." However, the same table also shows that sectoral representatives and heads of offices / department seldom participated in the budget legislation process with 2.4 as the obtained mean score.

The results imply that in the main the City government of Tagum subscribes to the general standard budget process prescribed by the DBM-COA and the 1991 LGC in the approval of the local budget, that is, through the passing of a local appropriations ordinance. But, the findings also imply that the LGU Tagum City fails to observe the provisions of the 1991 Local Government Code on the active participation of sectoral representatives in the legislative body as well as in the deliberations of the proposed budget.

Table 4.3. Frequency, Percentage and Mean Score Distribution of Responses on Actual Practices in Budget Authorization

Statement Indicators	Mean	Verbal Interpretation
1. The process for selecting and approving the budget assures consistency with the fundamental principle "No money shall be paid out of Local Treasury except in pursuance of an appropriation ordinance or law."	3.9	Always
2. Sectoral Representatives and Head of Offices/Departments are actively Participating in budget legislation process.	2.4	Seldom
Total Weighted Mean	**3.2**	**Often**

Practices in Budget Review

Considering the specific indicators used, the findings revealed that LGU Tagum City's practices in budget review were within the required standard as the mean score of 3.8 in Table 4 indicate. The result suggests that the presiding officer of Tagum Sangguniang Panlungsod always took the responsibility of reviewing the financial reports on budget performance. Moreover, the budget review done by the LCE always focused on the required linkage between plans and fund allocations. In support of the findings, the City planning and Development Coordinator (CPDC) as key informant emphasized that "in reviewing the budget, the LCE always take into consideration the needs and requirements of offices to avoid misuse of funds."

The findings imply that indeed the City Government of Tagum does comply with the requirements of budget review as set forth in relevant policies and laws.

Table 4.4. Frequency, Percentage and Mean Score Distribution of Responses on Actual Practices in Budget Authorization

Statement Indicators	Mean	Verbal Interpretation
1. The Sanggunian Panlungsod through the presiding officer has appropriate responsibilities for reviewing periodic reports on financial performance relative to the budget.	3.8	Always
2. The budget review by the LCE focuses on linkages of expenditures to	3.6	Always
3. specific programs, projects and activities identified in AIP.		
Total Weighted Mean	**3.7**	**Always**

Practices in Budget Execution

The total weighted mean of 3.3 reflected in Table 5 suggest that by and large, the Tagum City Government had not been so strict in its budget execution. Hence, the findings further suggest that said LGU's practices in budget review only often met the requirements as stipulated in policies. Specifically, LGU Tagum City in its execution of the approved budget often followed provisions or guidelines for approved allocation, recorded appropriation releases based on the Appropriation Ordinance and had often implemented programs and project as stipulated in the PPAs and plan.

The findings imply that there are occasions where LGU Tagum City failed to follow the requisites of the budget execution as stipulated by the Local Government Code of 1991 and other legal documents.

Table 4.5. Frequency, Percentage and Mean Score Distribution of Responses on Actual Practices in Budget Execution

Statement Indicators	Mean	Verbal Interpretation
1. There are clear provisions or guidelines for approved allocation.	3.2	Often
2. The City government records the approved appropriations releases based on Appropriation Ordinance in the appropriate entry.	3.4	Often
3. The programs, projects and activities are implemented according to what is stipulated in the plan.	3.2	Often
Total Weighted Mean	3.3	Often

Practices in Budget Accountability

It can be seen in Table 6 that, with a weighted mean of 3.3, the City Government of Tagum only often observed the law and rules and regulations of COA and DBM relative to its budget accountability. However, as to exacting accountability of officers liable for losses in the government property and funds, the said LGU had always given this attention (x=3.5). With mean scores of 3.4 and 3.1, Table 6 further shows that in other task related to budget accountability, LGU Tagum City had only often given adequate attention.

The findings imply that basically LGU Tagum City's budget accountability practices do not exactly meet the required standards.

Table 4.6. Frequency, Percentage and Mean Score Distribution of Responses on Actual Practices in Budget Accountability

Statement Indicators	Mean	Verbal Interpretation
1. The City government Accountant prepare expenditure statement during the fiscal year and present this to the Sanggunian.	3.4	Often
2. There are grounds or measurement on the liability of accountable officers for the loss of the government property and funds.	3.5	Always
3. The City offi ce Treasurer or another appropriate authority establishes operating policies and standards for evaluation or review.	3.1	Often
Total Weighted Mean	**3.3**	**Often**

Extent of Compliance by the City Government of Tagum with Standard Budgeting Process

In the figures that are presented in Table 7, it is quite alarming, yet a confirmation on the observation that there is moderate (3.4) compliance by the LGU Tagum City on the standard budget process prescribed by laws, rules and regulations. On the basis of Linking Planning to Budgeting the respondents perceived that they had high compliance on the law. It is to be noted however, that genuine and active participation of the sectoral representatives, heads of offices and committee member and staffs to promote and established transparency and accountability in all transaction are oftentimes allowed if not are limited. This clearly contradicts the LGU-wide initiative, which is participative budgeting to make fiscal administration in LGUs more transparent (BOM for LGUs, 2008 Edition). On the other hand, as indicated in the same table, majority of the respondents perceived that the City Government of Tagum had a moderate compliance to the standard budget preparation prescribed by the DBM-COA and the 1991 Local government Code, as the total weighted mean of 3.3 shows. This is despite the fact that the LGU of Tagum City did always practice the issuance of a budget call based on the approved LDP, LDIP and AIP, and also on the conduct of Executive Budget Review by the LCE prior to the finalization of the Executive Budget. However, findings on the limited participation of the department heads to prepare and submit budget proposals to the Budget Officer for review and consideration speaks of a deviance from standards. The trend of results sustained as LGU of Tagum City had moderate compliance to the standard budget authorization/legislation process as they fail to observe the provisions on the active participation of the sectoral representative in the legislative body as well as in the deliberation of proposed budget. The result is quite alarming since the

Budget Operations Manual (BOM) requires the stakeholders (Heads of Offices/Departments, Planning and Budgeting Staff, Local Development Council, Non-government organizations and sectoral representatives) to participate in the Sanggunian deliberation of the Executive Budget during public or committee hearing and consultation with specific sector groups affected by the budget whereby the stakeholders may clarify or ask questions on changes in the executive budget not found in the approved AIP (BOM for LGUs, 2008 Edition).

The total weighted mean of 3.9 reflected in Table 7 suggest that by and large, the Tagum City Government had a high compliance to the standard budget review process. As such Celestino, Malvar, Zipagan, Sr. (1998), reiterate the importance of the Budget Review, as it verifies the consistency of funded programs and projects with the LDP, the LDIP and the AIP. In all cases, compliance with accounting rules and regulations and other administrative issuances must strictly observe. In addition, LGU Tagum City in its execution of the approved budget had a moderate compliance on the provisions or guidelines for approved allocation, recorded appropriation releases based on the Appropriations Ordinance. Finally, the data bears that respondents generally agree that there is a moderate compliance of the City government of Tagum in Budget Accountability. This is evidence by the fact that the City Accountant often prepares expenditure statements during fiscal year and presents this to the Sanggunian. In addition to this, the City treasurer or other appropriate authority often establishes operating policies and standards for evaluation or review.

Table 4.7. Extent of Compliance by the City Government of Tagum to Standard Budgeting Process

Budget Process	Weighted Mean	Qualitative Interpretation	Level of Compliance
1. Planning and Budget Linkages	3.6	Always	High
2. Budget Preparation	3.3	Often	Moderate
3. Budget Authorization	3.2	Often	Moderate
4. Budget Review	3.9	Always	High
5. Budget Execution	3.3	Often	Moderate
6. Budget Accountability	3.3	Often	Moderate
Overall Weighted Mean	**3.4**	**Often**	**Moderate**

(Note: 3.5-4.0 High Compliance; 2.5 – 3.4 Moderate Compliance; 1.0 – 2.4 Low Compliance)

Problems Encountered by the respondents in Planning and Budgeting Process

Table 8 lists the possible problems which were likely encountered in compliance to the standard budget process prescribed by the DBM-COA and the 1991 Local Government Code. The respondents indicated that they had

considered these problems as **Serious** with a total weighted mean of 1.97, which may apparently affect the whole process.

Findings imply that the City Government of Tagum seriously requires foresight and good judgement on prioritizing critically significant programs and projects which are deemed crucial to sustainable development. Perhaps, they may need to sit down together and trace where the problems lie.

Table 4.8. Frequency Distribution of Respondents and Measurement of Seriousness on the Problems encountered in the Budget Process

Perceived Problems	Weighted Mean	Qualitative Description	Rank
1. Lack on ability to conceived programs, projects and activities in relation to the department or offices' mandated functions.	2.06	Serious	2
2. Lack of ability to prioritize programs, projects and activities.	1.93	Serious	5
3. Inadequate information/knowledge/skills in formulation of long term and short term programs such as setting the target output, time frame and strategies for implementation of projects and activities.	2.02	Serious	3.5
4. Narrow and limited knowledge and understanding on the procedures of budget process.	2.10	Serious	1
5. Inconsistent budget request with government policies and priorities.	1.84	Serious	6
6. Budget Review is hampered by non-submission of supporting documents.	2.02	Serious	3.5
7. Budget Execution is hampered by non-submission of work and financial Plans and request for allotments.	1.79	Serious	7
Overall Total Weighted mean	**1.97**	**Serious**	

Suggested Solutions to the Perceived Problems

It is quite difficult for the economy to operate with a balanced budget if it seeks to accelerate its rates of growth. Table 9 presents the recommended solutions with respondent's assessment of its feasibility. Findings revealed with a total weighted mean of 2.64 which means that the City government of Tagum must applied / observed the listed solutions as it was considered as Very Feasible. Findings revealed with a total weighted mean of 2.64 which means that the City government of Tagum must applied / observed the listed solutions as it was considered as Very Feasible. This is evidenced by the fact that five out of seven

recommended solutions, respondents felt that it was Very Feasible while two recommended solutions were considered as Feasible.

The time is now opportune to plot requisite reforms and innovations in our budgetary system. Considering that up to now the budget has not been made to serve as a tool for social betterment and economic progress, it must be quite evident to our country's leader that resolute efforts are called for.

Table 4.9. Frequency Distribution of Respondents Responses and Measurement of the Feasibility of Solutions Propose

Suggested Solutions	Weighted Mean	Qualitative Description	Rank
1. Conduct comprehensive workshop on how to prepare LBPF No. 154 and LBPF No. 152, among heads of Offi ces and other involved personnel.	2.49	Feasible	6
2. Open discussion or meeting to assesses the needs of the office.	2.63	Very Feasible	4
3. Issuance of detailed guidance to all office specifying the format, content and due dates/deadline of budgeting.	2.62	Very Feasible	5
4. Ability to conceive programs, projects, activities and priorities in relation to the Department/ Offices mandated functions.	2.36	Feasible	7
5. Formulation of programs to include among others, the target output, time frame and strategies for implementation of PPA's.	2.77	Very Feasible	3
6. Orientation and trainings on the development planning, revenue generations and budgeting.	2.82	Very Feasible	1.5
7. A system of commitment accounting that ensures expenditures do not exceed budget by department.	2.82	Very Feasible	1.5
Overall Total Weighted Mean	**2.64**	**Very Feasible**	

Implications

Based on the findings the following implications were formulated:

1. The findings imply that generally, the City Government of Tagum has been observing the required linkage of development plans to the formulation of the City's budget. Moreover, the findings imply that the structure, processes and perhaps, policies in local public finance insofar as the initial linkage between development planning and investment planning to budget are concerned are in place. These findings are in keeping with the contention that local budget plans and goals shall as far as practicable be harmonized with national

development plans and the approved local development plans (Nolledo, 1991; Local Government Code of 1991).

2. The findings imply non-participative practices in the budget preparation phase of the LGU of Tagum City. This non-participation of operational level employees and perhaps, the people through accredited CSOs may compromise the efficacy of the budget as a tool or mechanism to promote the welfare of the majority – the City of Tagum.

3. The results imply that in the main the City government of Tagum subscribes to the general standard budget process prescribed by the DBM-COA and the 1991 LGC in the approval of the local budget, that is, through the passing of a local appropriations ordinance. But, the findings also imply that the LGU Tagum City fails to observe the provisions of the 1991 Local Government Code on the active participation of sectoral representatives in the legislative body as well as in the deliberations of the proposed budget.

4. The findings imply that indeed the City Government of Tagum does comply with the requirements of budget review as set forth in relevant policies and laws.

5. The findings imply that there are occasions where LGU Tagum City failed to follow the requisites of the budget execution as stipulated by the Local Government Code of 1991 and other legal documents.

6. The findings imply that basically LGU Tagum City's budget accountability practices do not exactly meet the required standards.

Based on the Findings of this study, a proposed intervention is recommended for improvement of the Local Planning and Budgeting Process toward the effective compliance to the standard local planning and budgeting process prescribed by the law.

Table 4.10. Local Planning and Budgeting Process

ACTIVTIES	OBJECTIVES	RESPONSIBLE PERSON	TIME FRAME
1. Seminar-Workshop on the Standard Local Planning and Budgeting Process	To enriched the awareness n the Local Planning and Budgeting process prescribed by the laws, rules and policies	*Local Chief Executive *Local Sanggunian *Local Finance Committee *Heads of Offices *Sectoral Representatives	July 1-5 before Budget Preparation
2. Conduct Seminar-Training on Citizens participation on Local Fiscal administration	To provide opportunities to the people to participate in certain spheres of economic management to look issues that transcend the financial aspect in paving the way for social control of Public Finance	*LCE *Local Sanggunian *LFC *Heads of Offices *Sectoral Representatives	5 DAYS activities, at least once a Year
3. Conduct Seminar-Workshop on Full Disclosure Policy	o provide accurate information on the status of government financial transaction, to promote transparency and accountability	*LCE *Local Sanggunian *LFC *Heads of Offices *Sectoral Representatives	5 DAYS activities, at least once a Year

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Thailand Decentralization System

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Introduction

At the beginning, from a study of Thomas Dufhues (2011) propose that the wave of Thai decentralization reforms mostly began as a largely fiscal decentralization initiative, following international trends popular during the 1980s and early 1990s (Phongpaichit et al. 1996). First initial reforms included some minor changes in local institutions and an insignificant increase in revenue sharing for local authorities. Despite these fledgling reforms, the Thai government attempted no serious renegotiation of centre-local arrangements until the period leading up to the promulgation of the 1997 constitution (Mutebi 2004). At that time, the general socio-economic and political situation in Thailand had turned in favor to decentralization. Mutebi (2004) quotes the major reasons for starting the decentralization initiative are

1. The economic development and the spread of democratic ideas throughout the country meant that much of the citizenry had become more keenly aware of their rights and thus demanded more political participation. And just as significant as the desire to enhance democracy, was the recognition by the country's leaders that the central government could not solve the various problems of provincial Thailand such as local godfathers, corruption, low public service delivery, etc. without a substantial alteration of center-local relations and a fundamental rethinking of the problems facing local governments.

2. The brutal crackdown on prodemocracy demonstrators in 1992 had not only helped concertize the expectations of the general population regarding political and economic reform, but had also compelled almost all the major political parties in the 1992 national election campaign to embrace electoral platforms promising to advance decentralization through local elections and the establishment of sub national fiscal autonomy (Mutebi 2004). But as

pointed out by Wong (2007) this does not imply that mainstream political parties were convinced of decentralization polices and genuinely supported this goal. Instead, widespread popular hatred against the military dictatorship and a corollary support for democracy simply left politicians of all stripes with little choice other than to cater to the electorate by endorsing decentralization.

The above quoted roots of decentralizing led to a new Constitution in 1997 and a Decentralization Act in 1999. Both specify an ambitious program of decentralization of government structures. For instance, the 1997 Constitution defined decentralization as a national basic policy and the Decentralization Act of 1999 provided the structure for decentralization measures. Over the next few years, local bodies were formed at the provincial, sub-district and municipal level. Since then, the decentralization process had created numerous local level administration outfits. With this effort, various tasks together with budget and personnel from the central administration have been transferred to the local government level. The tasks of the local governments are

1. Local and community planning and development

2. Promotion of local economic development, investment, employment, trade, and tourism

3. Local public services provision

4. Social welfare services, including education, primary health care, housing, arts and cultures

5. Promotion of democratic values, civil rights, public participation, law and order, conflict resolution (Krueathep 2004).

These policy reforms have induced not only deconcentration but also political decentralization. For instance, through changes in local elections local residents were able to directly elect local councils and sub district heads. In addition; there are also other opportunities for local involvement such as public hearings, initiations, and referendums, which may result in the adoption of a new law, or a specific government policy. Furthermore, people now have the right to access information on local management practices, take part in procurement processes, and impeach local representatives and executives (UNDP 2009).

Since the early 1990s, Thailand is in a phase of continuous decentralization and recentralization. Every government since then has newly defined this relationship. After the strong push for decentralization at the end of the 1990s, the last decade has seen more centralization than decentralization efforts. Central governance has taken back some local influence either by limiting political participation or by funding arrangements. On the one hand, one can interpret the centralization efforts within the last decade as antidemocratic currents within

the elite-led central government to correct some of the decentralization measures of their predecessors. On the other hand, those centralization measures could be interpreted such that they create more up-ward accountability in the local governance system which was too downward accountable and thus, too prone to local elite capture. However, the evidence suggests more the former then the later. Particular, upward accountability created via center control of local funding may not promote check and balances but collusion between center and local level elites.

Context of Decentralization

A study of Economic Research and Training Center (2009) propose that prior to the promulgation of the Constitution in 1997, the central government played a major role in the political process, determining budget allocations by planning and programming all expenditures, including environmental management. The central government was also responsible for the design and collection of the majority of both national and local taxes. However, after the introduction of the Constitution of 1997 the public sector in Thailand has undergone dramatic change. The Constitution of 1997 laid the foundation for decentralization and set the guidelines for public sector reforms. One principle of the policy reforms involves decentralization and devolution of responsibilities from central agencies.

A national body (National Decentralization Committee: NDC) was established to take responsibility for fiscal reform in accordance with the decentralization principle. The duties of the committee include designing a revenue transfer formula for all local government units to finance local public expenditures and determining the functions of central government that must be devolved to local governments. Since decentralization is an ongoing process which continually requires adjustment, the law requires revision of the decentralization plan every five years. The committee is also obliged to submit recommendations for changing laws to the central government.

In accordance with the principle stipulated by the Constitution of 1997, the Decentralization Act B.E. 2542 (1999) was enacted. It specifies the functions to be devolved from central government agencies to local authorities and the time-frame for doing so. Three directives were issued under the Decentralization Act, namely:

1. Functions that are identified as appropriate to local governments must be transferred and that such transfer is mandatory for the central agencies currently involved.

2. The government must allocate a sufficient portion of the budget from the

central revenue to local government units so that such units could perform the transferred functions;

3. The establishment of the National Decentralization Committee (NDC) to monitor the progress of decentralization and to ensure that devolution is taking place as planned.

Subsequently, the NDC identified 245 functions classified into 6 major programs to be transferred to local government units and specified a time frame to do so. In addition, the Budget Bureau has cooperated with the NDC by reassigning portions of the budget that had been previously allocated to ministries/departments to LGUs. The devolution program involves 50 departments under 11 ministries. The details of these 6 programs are summarized below:

1. Public Infrastructure: 87 activities from 17 departments to be transferred;

2. Local Services Related to Quality of Living: 103 activities from 26 departments to be transferred;

3. Civil and Community Ordering, and Peace Maintenance: 17 activities from 9 departments to be transferred;

4. Planning, Investment Promotion, Business, and Tourism: 19 activities from 6 departments to be transferred;

5. Natural Resources and Environment Management and Conservation: 17 activities from 9 departments to be transferred;

6. Art, Culture, Tradition, and Local Wisdom: 2 activities from 1 department to be transferred.

Many social welfare services are categorized under the quality of life program. This category encompasses such activities as job promotion, quality of life improvement for disadvantage groups, recreation, education, public health services, and the development of residential and slum areas. The transfer of these functions is to proceed gradually to ensure that there would be no interruption of the services during the transfer process. The National Decentralization Committee (NDC) designed the timetable and procedures for all levels of central agencies in charge of devolving "planned transferred functions." Finally, the transfer of each function is designated as "compulsory" or as "discretionary" according to local conditions.

Progress on the devolution of functions has been satisfactory. Of the 245 functions targeted for transfer, 177 have actually been transferred. Considering the types of functions devolved reveals that the largest numbers of functions transferred to local governments are social service-related functions (103 out of 245 programs). This aim is underscored by the ability of local governments to respond to local social welfare needs more effectively than central agencies.

Yet the most ambitious target of the decentralization scheme is to transfer more than 35 percent of net government revenue by the fiscal year 2006 to local governments. The revenue target has created fiscal pressure on the central government's budget process. In retrospect, the actual revenue allocation for local government did not reach the intended target. The actual revenue transfer was only 25.2 percent in fiscal year 2006. The slow pace of budget allocation has disrupted the continuity of functions devolution. The sluggish increase of local revenue resources is due to several reasons: the structure of local government revenue is not compatible with the economic structure of each type of local government, and existing revenue sources such as taxation and charges are not appropriately designed to cope with modern economic structures. In addition, the revenue transfer formula that the central government has used for the last five years for the fiscal decentralization program does not take into account the revenue imbalance across local government units.

The main focus of the formula is to increase the share of revenue for local governments relative to the revenue of the central government, but no criteria have been implemented to counter revenue inequality both horizontally and vertically.

As mentioned above, decentralization is one of the major principles under the Constitution 1997 that would empower people to achieve self-rule and self-reliance, using their community resources with some support from the government. Under this scheme, local governments are expected to play a major role as popular institutions for self-rule and to provide a training ground for democratic administration.

The new Constitution creates a new framework for restructuring national and local governance and for the reform of electoral and political processes. It introduces many radical reforms on matters concerning relations between the state and civil society. In addition, the Constitution creates a framework for decentralization and people's participation that can be summarized in three areas, as follows:

(1) Organization and Administration. The local authorities have the freedom to manage development and provide public services according to the needs of their constituents in the local community. Local administration can formulate development plans, personnel policy, as well as budget and financial policy. In addition, the Constitution emphasizes that all local authorities must be elected and will be in office for four years.

(2) Duties and Responsibilities. The local authorities are responsible for the development and conservation of natural resources and the environment in

their local community. The national government will transfer appropriate functions (including public service delivery) as well as budget subsidies to the local government. The local government can collect certain taxes that a tri-party committee agrees upon, and this agreement will be reviewed every five years.

(3) Public Participation. The Constitution indicates that people in local communities can monitor, control and oversee the results and performance of the local administration. It is the government's duty to promote the people's participation in conserving and protecting natural resources and the environment. People can sue any public officials or organizations that fail to perform their authorized functions. A total of 75 percent of the people who voted can impeach any local officials, and 50 percent of the registered voters can propose a new community regulation. In addition, old laws and regulations were revised and changed to be consistent with the Constitution. Currently, 12 laws related to local governance have been enacted, and a few more are being formulated.

Framework of Decentralization Plan

INTERRELATIONSHIP

Clear Delibeation of Roles, Powers and Duties
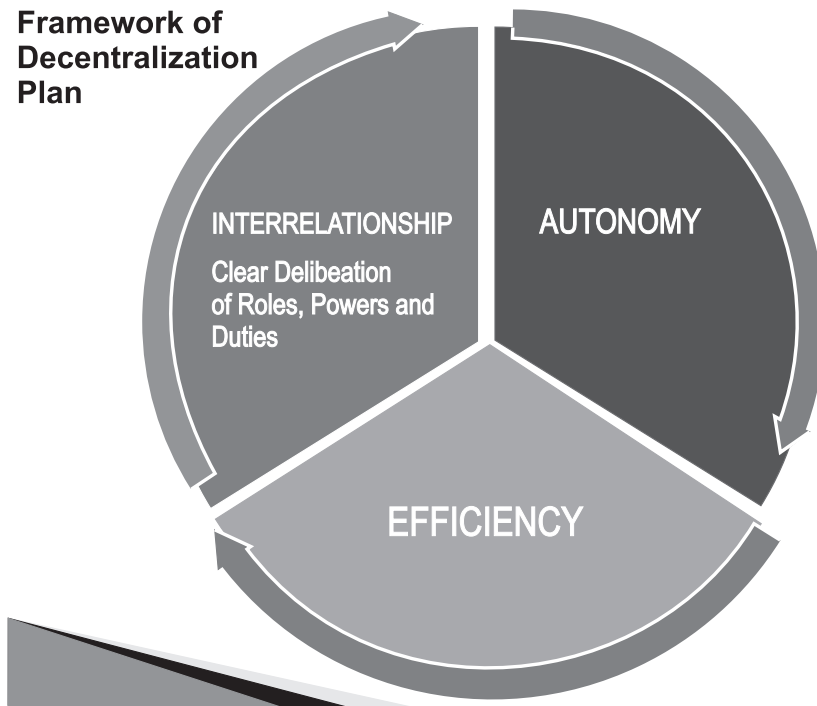
AUTONOMY

EFFICIENCY

Figure 5.1 Frame work Of decentralization plan

Source: Woothisarn Tanchai, 2010

Fumio Nagia (2007) propose that the major turning point for both the sweeping reform of the local authority system and the decentralization process

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came when the 1997 Constitution was promulgated in October 1997. The 1997 Constitution defined decentralization as a national basic policy in Section 78. In addition, Chapter 9: Local Authority contained detailed provisions in its nine sections (Sections 282-290). The period between the promulgation in October and the end of 1999 saw a revision of the Local Government Acts (such as Thesaban Act of 1953, TAO Act of 1994, Pattaya Administration Act etc.) and the enactment of new laws, including the Local Public Personnel Administration Act and the act on local initiatives and the recalling of officials. These legislative measures were aimed at blocking direct interventions in local authority management from the Ministry of Interior and encouraging autonomy by local residents. In fact, they were part of the local authority organizational reform.

After the local authority organizational reform achieved major success, the Thai government embarked on the development of the Decentralization Plan. This move was based on Section 285 of the 1997 Constitution and the Decentralization Plan and Process Act of 1999 (the Decentralization Act of 1999), which had been established in accordance with this section. Under this act, the National Decentralization Committee (NDC), formally known as the Decentralization to Local Government Organization Committee, was convened at the beginning of 2000. NDC played the leading role in drafting the Decentralization Plan. The Plan was made up of the Master plan and the Action Plan, which were approved by the Cabinet in October 2000 and November 2001, respectively. The Decentralization Act of 1999 set the fiscal decentralization target of increasing the percentage of local authority expenditures to at least 20 % by 2001, and further to at least 35 % by 2006.

The decentralization process since the 1990s, especially in the last decade, has built on the 1997 Constitution and the relevant legislative arrangements, including the revision of existing acts and the establishment of new ones. The Decentralization Act of 1999 defines the period of the decentralization process as four years as a matter of principle, but it allows a maximum period of 10 years. A total of 50 central departments and 245 services are subject to the Decentralization Plan, and 180 functions have been transferred or are in the process of being transferred.

The Decentralization Action Plan has a three tier structure. The upper-tier part divides the services to be transferred into six categories: (i) infrastructure; (ii) quality of life; (iii) order and security of communities and society; (iv) planning, investment promotion, and commerce and tourism; (v) natural resources and environmental protection; and (vi) arts and culture, traditions, and local wisdom. The middle-tier part identifies the central ministries and departments concerned and the specific services to be transferred. The lower-tier part identifies the recipient local authorities by type, defines the target year of completion, and

classifies these services into those that are mandatory and those that are optional for local authorities.

Intergovernmental transfer of services is based on a written agreement between a branch office of the central government and the local authority concerned. For smooth transfer, each province has developed operation manuals and training programs under the direction of the Office of the National Decentralization Committee (ONDC), formally known as the Office of the Decentralization to Local Government Organization Committee. As stipulated in the State Administration Act of 1991, Thailand had five types of local authorities before the full-fledged decentralization process started during the 1990s. The first type was Thesaban, the basic unit of local authority in urban areas.

The second type was sanitary districts (Sukhaphiban) in semi-urban areas. The third type was Provincial Administrative Organizations (PAOs) in rural areas. These three types were, as it were, ordinary local authorities distributed throughout the country. The fourth type was the Bangkok Metropolitan Administration (BMA) for Bangkok, the capital and the most urbanized city in Thailand. The fifth type was the City of Pattaya, an internationally known tourist destination. Sanitary districts and PAOs were established during the 1950s while BMA and the City of Pattaya were instituted during the 1970s. The 1950s and the mid 1970s were characterized by progress in the democratization process, implying a close affinity between local autonomy or decentralization and democratization in Thailand.

The Current Status of Decentralized Local Governance

The study of Shamsul Haque (2010) propose that emerging from the recent decentralization initiatives pursued through major constitutional, legal, and institutional reforms discussed above, the current system of local governance may appear to be significantly different from its pre-reform structure and composition. However, the overall composition of governance (defined by the State Administration Act of 1991), still covers three major levels, including the central administration, regional or provincial administration, and local government administration (Amornvivat, 2004).

As usual, the central administration encompasses the parliament, the office of the prime minister, all ministries and departments, independent constitutional bodies, and state enterprises (United Nations, 2005). The ministries are headed by ministers, who supervise full-time officials, including permanent secretaries and department director-generals. Central ministries have their branch offices at provincial halls and district offices and dispatch their officials to these units.

Even the departments of some of these ministries have their branch offices there. Hence local administration in Thailand is nothing but an aggregation of the branch offices of central ministries and departments. What is unique to Thailand is that these units are individual entities; provinces even have the status of a juristic entity. Provincial governors and district officers, who are dispatched by the MOI, have the statutory authority to direct and supervise government officials from these central ministries and departments at the provincial and district levels. Administrative sectionalism is evident even at the provincial and district levels. In other words, the vertical relationship between ministries and departments outweighs horizontal coordination among central government offices at these levels. The local autonomy system is distinct from the systems of central administration and local administration.

Regional administration in Thailand is nothing but an aggregation of the branch offices of central ministries and departments. What is unique to Thailand is that these units are individual entities; provinces even have the status of a juristic entity. Provincial governors and district officers, who are dispatched by the MOI, have the statutory authority to direct and supervise government officials from these central ministries and departments at the provincial and district levels.

This includes all provinces or 'changwats' that are divided into Districts or 'Amphoes'. Each of these Districts is divided further into Subdistricts or 'Tambons', and then each Subdistrict into Villages or 'Mubans'. At the provincial level, each of the 75 Provinces is headed by a Governor and it has provincial level field units or branches of central government ministries such as Ministry of Agriculture and Cooperatives, Ministry of Public Health, and Ministry of Education (United Nations, 2005:20). Similarly, each District is headed by a District Officer, and it has District-level field offices from those ministries. All Provincial Governors and District Officers are central government officials (from the Ministry of Interior) who "have the statutory authority to direct and order government officials from other central ministries and departments at the provincial and district levels" (Nagai, Funatsu,& Kagoya, 2008:4–5). On the other hand, each Subdistrict is headed by a 'Kamnan', and each Village by a Village Headman. While the Village Headman is directly elected by the village people, the Kamnan of a Subdistrict is elected from among the Village Headmen by the residents of the Subdistrict, and both are elected for five years. Although they are elected representatives from their own constituencies, they serve as "agents of central government" (Nagai, Funatsu, & Kagoya, 2008:4–5).
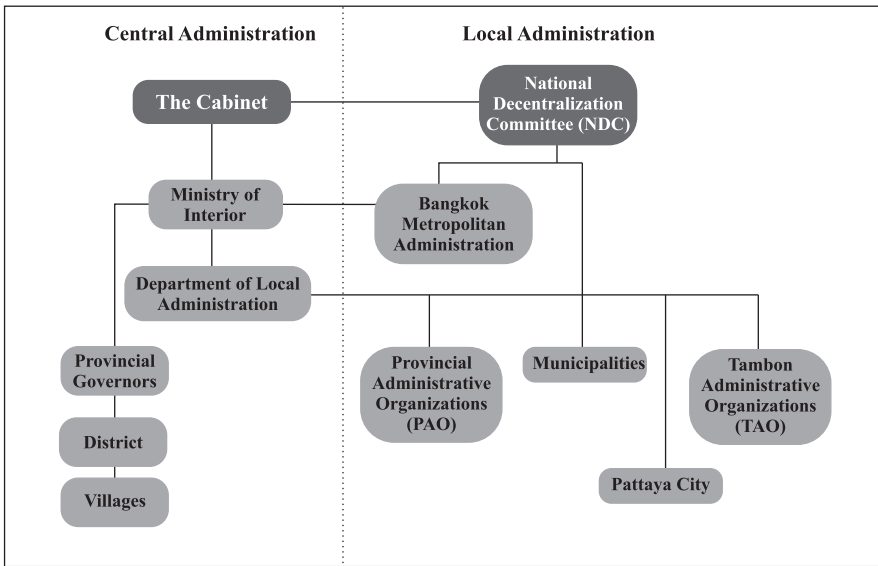
Figure 5.2 Administrative structure of the Royal Thai Government

Source: Economic Research and Training Center (ERTC)

While the regional or provincial administration represented a field-level extension of central administration, the local government system was supposed to represent local people in terms of their needs, interests, and preference. The local government system came to coexist with the regional administration dominated by the central government. The local government system unlike central administration and regional administration has undergone considerable changes. Currently this local government system includes the Provincial Administrative Organizations or PAOs, Municipalities, Tambon (Subdistrict) Administrative Organizations or TAOs, Bangkok Metropolitan Administration or BMA and the City of Pattaya.

These five types of local government units can be classified into two broad categories: a. the "general" categories. That are PAOs, Municipalities, and TAOs. And the "special" categories that are BMA and Pattaya City which function only in large cities like Bangkok and Pattaya (United Nations, 2005:20).

The general categories of local government entities can be divided further into the upper-tier units that are PAOs. These organizations cover the whole province, administer provincial-level public services, and assist or collaborate with other units that are Municipalities and TAOs within the provincial territory; and the lower-tier units that are Municipalities and TAOs which are much closer to local residents within their respective territories (Krueathep, 2006:12). The local governments units can also be classified into those operate in rural areas that

are PAOs and TAOs. And those function in urban areas that are Municipalities, BMA, and Pattaya City) (Mutebi, 2004:38).

Municipalities include Subdistrict Municipalities, Town Municipalities and City Municipalities. There is a directly elected Mayor as its chief executive as well as a directly elected Council as its legislature. The Act to Upgrade Sanitary Districts to Municipalities (1999) led to an overnight expansion of the total number of Municipalities in Thailand (Nagai, Funatsu, & Kagoya, 2008:6–7). While the main duties of the Municipal Councils are to enact local rules and regulations and observe the proper functioning of municipal administration, the main responsibilities of the Mayors are to manage local affairs and implement plans and policies related to their respective Municipalities.

At the Subdistrict level, each of TAOs is composed of an elected TAO Chairperson or President and an elected TAO Council (membership varies depending on the TAO size). The TAO Council comprises two elected representatives from each village covered within the Subdistrict territory, and the TAO President is chosen from among these Council members (Sopchokchai, 2001). The term of office for these elected TAO members is four years. These TAOs are responsible for managing local services at the Sub-district and Village levels.

As far as the special local government units are concerned, the most important unit is the BMA due to its strategic and political importance as the country's capital as well as its "largest and wealthiest city" (Wong, 2007:6). As the chief executive of the BMA, its Governor is now directly elected for four years by popular votes and so are its 38 Council members. On the other hand, there are 50 Districts within the Bangkok provincial territory, each of which has an elected 7-member Council, but the chief executives of these Districts (who are designated as District Officers) are not elected, they are appointed by the BMA Governor (Krueathep, 2004:218).

Another special unit of local government in Thailand is the City of Pattaya, which has a bit different structural composition compared to the BMA. More specifically, the Pattaya City's chief executive is the Mayor directly elected for four years, and its legislative organ is the Council composed on 24 directly elected members (United Nations, 2005:20).
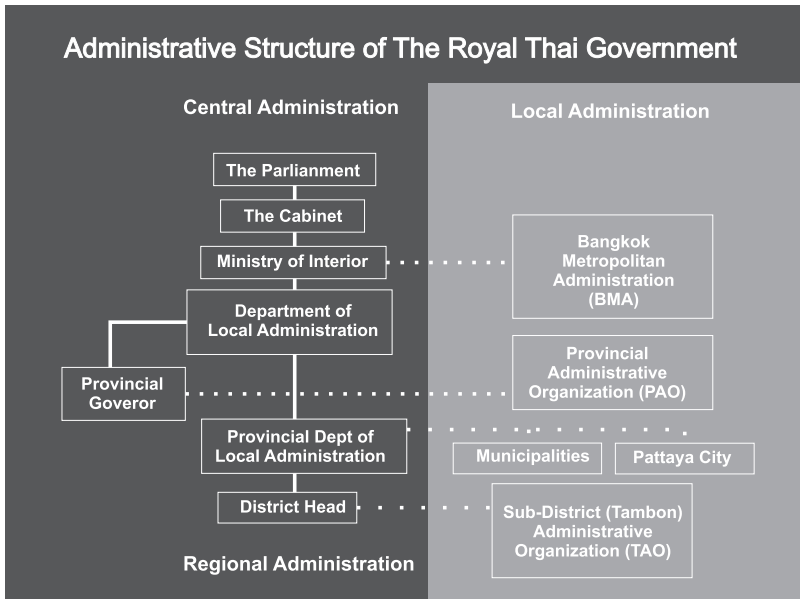
Fugure 5.3 Administrative Structure of The Royal Thai Government

Source: Royal Thai Givernment

The structure of local government is divided into two branches: the local council consists of elected representatives from each village responsible for policy and development direction, and the executive committee responsible for developing a local development plan and an annual budget and to manage all local affairs. Both elected committees are in position for four years.

The local staff members are classified as permanent local civil servants, and their salary is paid from the local government's budget expenditures. A permanent secretary is a secretary of the local executive committee. Until the Local Public Personnel Administration Act of 1999 is fully in effect, local staff is recruited and appointed by the Department of Local Administration of the Ministry of Interior.

By law, local governments are responsible for the economic, social, cultural and environmental development at the local level. Duties and responsibilities are classified into two categories: required responsibilities and duties such as providing and maintaining land transportation and waterway, keeping streets and public lands clean as well as manage solid waste disposal, etc. and optional tasks such as promoting cottage industries, promoting occupational employment for local people, etc.

Local governments obtain revenue to manage and implement all tasks from three sources:

(1) Taxes, fees, fines and benefits collected by themselves such as housing and land taxes, advertising board taxes, etc.

(2) Transferred taxes collected by other organizations such as value-added taxes collected by the Ministry of Finance, etc.

(3) Grants and subsidies allocated through the Ministry of Interior.

Authorities of Local Governments

A study of Shamsul Haque (2010) propose that before the most widely recognized restructuring of local government was adopted in the Thai Constitution of 1997 in favor of an autonomous, representative local government system, there were already some small-scale legal measures adopted in a similar direction. For instance, the passing of the Tambon Council and the Tambon Administrative Authority Act (1994) led to the conversion of previous Tambon or Subdistrict Councils into Tambon (Subdistrict) Administrative Organizations (TAOs) as decentralized local government units with elected Tambon Councils and greater emphasis on people's participation (Mutebi, 2004:41).

However, it was Thailand's 1997 Constitution that represented a major hallmark in the history of its local governance, which was followed by a series of legislations and legal amendments in line with the principles and ethos of this Constitution. The 1997 Constitution highlighted the principles of decentralized local governance with greater emphasis on people's participation, representation, and accountability. The 1997 Constitution's Section 78 had stressed the overall significance of decentralizing powers to localities, and later, its whole Chapter IX (Sections 282–290) was devoted to delineate the specific principles, structures, and legal and institutional prerequisites of such decentralization (Wong, 2007:1; Chardchawarn, 2010:15). It is necessary to disaggregate the major dimensions of decentralized local governance underscored in the 1997 Constitution.

First, the overall thrust of the 1997 Constitution is on the transfer of powers from the central to local government, guarantee of local-level autonomy, and the promotion of local self-government (Amornvivat, 2004; Mutebi, 2004). In particular, Section 282 of the Constitution states that "the State shall give autonomy to the locality in accordance with the principle of self-government according to the will of the people in the locality" (OCS, 1997).

Second, the 1997 Constitution (Section 285) states that local government organizations must have local assemblies whose members would be directly elected by people, local administrative committees, or administrators who would be directly elected by people or chosen by local assemblies, and they would hold office for four-year terms (OCS, 1997; Chardchawarn, 2010). It is important to note that the 1997 Constitution (Section 285) specifically mentions that a member of local government assembly or executive committee cannot be a

permanent employee or official holding position in central government, state agency, state enterprise, or local organization (OCS, 1997).

Third, with regard to personnel and financial matters, the 1997 Constitution emphasizes that all local government units must enjoy autonomy in policy formulation, administration, personnel management, and finance (Section 284), that the appointments and removals of local government officials have to be based on the prior approval of the Local Officials Committee or local personnel committee, and that this Committee should consist of equal number of representatives from local government organizations, relevant Government agencies, and qualified persons (Section 288) (see OCS, 1997; Amornvivat, 2004).

Fourth, the 1997 Constitution (Sections 286) provides local residents the right to recall local government officials (elected assembly members or administrators) if they consider these officials untrustworthy, although it requires about 75 percent of eligible local voters to make this recall effective (Wong, 2007:1–2). In addition, the Section 287 of this constitution gives local people right to propose local ordinances, but it requires more than 50 percent of local voters to sign any proposal for such ordinances (Amornvivat, 2004).

Finally, the 1997 Constitution (Sections 284, 285) provides guidelines for the legal and institutional measures to be undertaken for the realization of its above-mentioned provisions related to autonomous local self-government. In particular, it mandates the adoption of a Decentralization Act (to delineate the functions, responsibilities, and revenue sources of local authorities) as well as the establishment of a Decentralization Committee (to prepare a decentralization plan and provide policy recommendations) (Wong, 2007:1–2).

The aftermath of the 1997 Constitution has seen some major legal and institutional innovations and reforms adopted that are in line this Constitution's requirements for decentralizing local governance in Thailand. One most important outgrowth of the 1997 Constitution (Section 284) was the Determining Plans and Process of Decentralization to Local Government Organization Act (or simply the Decentralization Act) of 1999, which asks for the creation of the National Decentralization Committee comprised of representatives from local authorities, government agencies, and other qualified persons that would delineate the functions shared between the state and local government, and produce a Decentralization Plan and an Action Plan for guiding and enforcing the decentralization process (Chardchawarn, 2008:37–38).

As a result of this Decentralization Act, the National Decentralization Committee was formed and drafted the Decentralization Plan and Implementation Plan to be approved by the central government. This Decentralization Act and its prescribed Action Plan required that 245 functions of the central government to be transferred

to local government organizations; that the local government's share of revenues, as a percentage of total government revenues, must reach 20 percent by 2001 and 35 percent by 2006; and that some agencies and human sources to be transferred from the central and provincial levels to local government organizations (Chardchawarn, 2008:37–38).

Table 5.1. Administrative services to be transferred under the decentralization plan

	Classification	Breakdown	No. of ministries and departements concerned*	Transfer completed or in progress	No action taken
1	Infrastructure	Traffic and transport, public works, public facilities urban planning, building control, etc.	87 services 17 departements in in 7 ministries	71	16
2	Quality of life	Livelihood promotion, sosial security, sports promotion, education, public health, inner city improvement, habitat development, etc.	103 services 26 departements in 7 ministries	69	34
3	Order and security of communities and society	Promotion of democrazy equality, and civil liberties; promotion of community participation in local development; mitigation and prevention of natural disasters; maintenance of the order and security of life and property; etc.	17 services 9 departements in 6 ministries	9	8
4	Planning, investment promotion, and commerce and tourism	Planning, technological development, investment promotion, commerce, industrial development, tourism, etc.	19 services 9 departements in 4 ministries	14	
5	Natural resources and environmental protection	Conservation of natural resources, development and protection of forest, management of the environment and pollution, management and protection of public places, etc.	17 services 9 departements in 4 ministries	15	1**
6	Arts and culture, traditions, and local wisdom	Protection, management, and maintenance of archaeological remains and artifacts as well as national museums, etc.	2 services 1 departements in 1 ministries	2	—

Source: Japan International Cooperation Agency (JICA)

In line with the 1997 Constitution, the Provincial Administrative Organization Act was also amended in 1997, which requires that the 24–48 members of the legislative organ of the PAO (i.e., Provincial Council) have to be directly elected, and its Chair (executive) is to be elected by these council members. In addition, the Act of Upgrading Sanitary District to Thesaban was passed in 1999 and the Municipality Act (1953) was amended in 2003, which led to the conversion of all previous Sanitary Districts Committees into Subdistrict Municipalities, and thus, to the exclusion of District Officers from being the Chairs of Sanitary Districts (Mutebi, 2004:50; Chardchawarn, 2008:38–39).

In addition, based on the above-mentioned Section 288 of the 1997

constitution, which requires the creation of the Local Officials Committee and defines its composition for dealing with local government personnel functions or activities, the Local Personnel Administration Act was promulgated in 1999. This Act requires the government to form the National Commission on Local Government Personnel Standards at the highest level (with the powers of major personnel policies), under which there are three central commissions, one for each regular local government level, including the Central Commission for PAO Personnel Administration, the Central Commission for Municipality personnel administration, and the Central Commission for TAO Personnel Administration.

At the lower provincial level, there are corresponding three provincial committees in each province, including the Provincial Committee for PAO Personnel Administration, Provincial Committee for Municipality Personnel Administration, and Provincial Committee for TAO Personnel Administration (Chardchawarn, 2010:17).

Structure of Local Budgeting

A study of Economic Research and Training Center (2009) propose that after the introduction of decentralization in Thailand, the process of budget allocation to all ministries and line agencies was altered. The change in budget allocation is partly due to the transfer of functions from line agencies to local governments, which left the line agencies of many ministries ineligible to receive the revenue to perform such functions from the national budget. The emergence of various service providers and budget processes requires a shift from a linear pattern of budget allocation to a more complicated scheme in accordance with existing laws.

These laws will remain in effect, even after decentralization. Prior to the decentralization program only line ministries had the authority to provide public services to people. When the decentralization program was promulgated, a large portion of the budget previously allocated to the line ministries was instead re-allocated to local governments. Nevertheless, no local governments are eligible to receive funding directly from the national budget appropriation, except for the Bangkok Metropolitan Administration and Pattaya City, because of budget regulations established by the Budget Process Act of 1959. As a consequence, all of the funds allocated to LGUs from the national budget must pass through the departmental level, namely, through the Department of Local Administration (DLA) of the Ministry of the Interior.
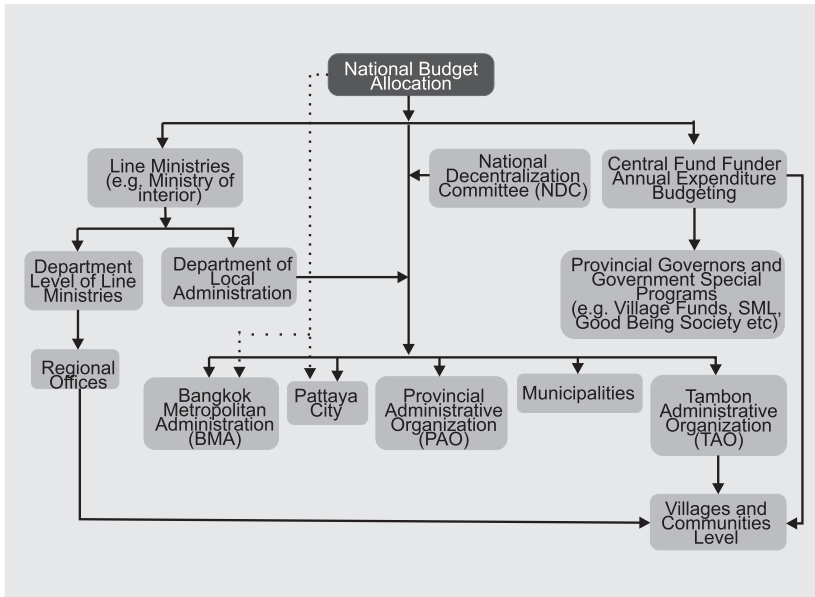
Figure 5.4. Budget flow path

Source: Economic Research and Training Center (ERTC)

Recently, the Budget Bureau changed budget appropriation according to three dimensions which are agenda-based, function-based, and area-based. The flow of government funding for each level of government agencies is shown in Figure 4.1. The first channel of budget allocation flows to the ministerial level. The ministerial level budget is targeted at expenditure programs that serve the government's economic and social development objectives: for example, poverty alleviation, education, and public health programs. The ministerial level budget is then distributed across the departments of each ministry.

The budget at the departmental level will be allocated according to the function of each department. Subsequently, much of the budget is further allocated to the provincial or regional offices. This budget can then be used to solve problems and support activities at the provincial level. Besides the central budget for the ministerial and departmental levels, the provincial governor receives a separate budget allocation for development programs within the province. Finally, the annual expenditure budget appropriation must allocate a portion to support the decentralization program as mandated by the Decentralization Act of 1999. Given the regulatory structure of budget allocation, the funding of TAOs can be conceptualized as flowing through four separate channels, as follows:

(1) The budget flow through the department of local administration (DLA)

Local governments can only receive national budget allocations from the

DLA of the Ministry of the Interior. The DLA monitors the LGUs and provides technical assistance to their operations, such as providing public services and improving revenue generation. One of DLA's primary duties is to transfer revenue allocations that support local public service provision to all local governments. LGUs receive their revenue through two major channels that are surcharged and shared taxes and grants.

The difference between tax revenue and grants from the central government is that the government may allocate surcharged and shared tax revenue to local governments without submitting them to the national fiscal reserve. Unlike the tax revenue, the central grant allocation for LGUs must be part of the annual budget scrutinized by parliament. Both revenue sources are allocated as a block grant to the National Decentralization Committee (NDC), which determines how to distribute the budget among the various types of local government. The revenue distribution formula will be used by the DLA as the criterion in disbursing the funds.

Unlike the DLA, the NDC formulates the budget allocation criteria as the decentralization policy-maker. The NDC is composed of three equal groups: the first group is made up of the representatives of the government line agencies related to the functions being devolved to the LGUs; the second group is made up of the representatives from each type of LGU. The last group is made up of experts from various fields related to decentralization. One of the core functions of the committee as directed by the Decentralization Act is to devise the formula for allocating central revenue to local governments.

At present, all local governments have the same three main sources of revenue: locally collected revenue centrally surcharged and shared tax revenue, and grants or subsidies from the government. Among the local government revenue sources, the surcharged and shared tax revenue is the most important revenue source (see Figure 4.3). Locally collected revenue for Bangkok Metropolitan Administration (BMA), municipalities, TAOs, and Pattaya City consists of both tax and non-tax revenues. Local tax revenue comes from building and land taxes, land development taxes, signboard taxes, animal slaughter taxes, and bird nest taxes.

The Provincial Administrative Organizations (PAOs) have the sole authority to collect the gasoline sales tax and hotel charges. Locally collected non-tax revenues include license fees and fines, sales of assets fees, revenue from utilities, and miscellaneous sources of revenue. Centrally collected revenue for local governments   consists of surcharged taxes and fees. Shared taxes are taxes that the government and the LGUs collect from the same tax base, although it is believed that this tax is more effectively collected at the central level rather than local level.

The government collects such taxes and redistributes the revenue to local government either partially or entirely, depending on the type of the tax revenue. The taxes shared with local government include the value added tax (VAT), the specific business tax, excise taxes, motor vehicle taxes, land registration fees, gambling taxes, mineral and petroleum taxes, airport fees, and underground water fees. In addition to conventional tax revenue sharing, LGUs also receive general and specific grants from the government.

Central grants are provided to LGUs for two purposes: to increase the revenue capacity and to promote spending on functions that provide social services or improve the quality of life, according to certain guidelines. In order to increase local revenue capacity, the government allocates general grants without conditions to LGUs, which they can spend according to their discretion. Yet to ensure that LGUs provide basic social services, the government provides general grants with specific purposes as follows:

• Grants for supplementary food (milk) • Grants for handicapped people pension

• Grants for school's luncheon • Grants for Aids patient pension

• Grants for pre-school children center • Grants for social service center

• Grants for elderly pension • Grants for elderly assistance center

In addition to the general grants, with or without specific purposes, the government allocates specific project-based grants for certain LGUs if their development projects conform to government policy. Examples include solar cells, water supply, electricity, and so on. The allocation of specific grants is done on an ad hoc basis and is highly politicized.

(2) The budget flow through the line ministries

There are several line ministries which have functions to deliver at the TAO level, the most important of which are the Ministry of Social Development and Human Security (responsible for the Caring Society Agenda and the Strengthen Society Agenda), the Ministry of Education, and the Ministry of Public Health (responsible for the health security system funded at the tambon level). These ministries have their line agencies and their own budget to work with people at the TAO level according to their ministries' policies. Besides these line ministries, there are some independent public agencies which also provide support for people at the TAO level. These independent public agencies are kept separate from the regular departments in order to provide more flexibility in management and to provide an additional source of financial support besides the government budget. The public organizations that assist people at the TAO level include the Community Organizations Development Institute of The Ministry of Social

Development and Human Security, the Office of Promoting Health Fund under the Ministry of Public Health, and so on.

(3) The budget flow through the provincial level

One weakness of Thailand's current budgetary system is the concentration of authority at the departmental level of the ministry. Under this system, the decision-making authority for any budget request rests with the officers at the departmental level. Some expenditure may not reflect the needs and problems at the provincial level. The previous government attempted to alleviate this problem by providing a channel of budget allocation directly from the central fund to the provincial level, ensuring that a certain amount of funding would be available at the provincial level. The provincial governors are responsible for the funds and decide how the money will be spent, since they are better informed about the problems and issues that need attention.

Additionally, this part of the budget also distributes funding for area-based projects according to government policies. This budget allocation was previously under the authority of the departmental level of each ministry. However, after the public reform program of the previous government administration, the government has set aside a certain portion of the national budget for provincial governors to support projects which specifically serve the provincial area. This part of the budget still exists under the interim government; only its objectives and allocation methods have changed to better serve government policy objectives.

Conclusion: Current Status of Decentralized Local Governance

Finally, Oraphin Sopchokchai (2001) conclude that Thailand has a long experience with the development of local government at all levels. Decentralizing decision-making powers to the local level and people's participation in community development has become one of the most important development issues discussed over the past two decades. It is widely recognized that decentralization will increase the efficiency and responsiveness of local government. Locally elected leaders know their constituents better than officials appointed from the central government. They can provide the public services the local people required. Technically and physically, it is easier for local residents to hold local officials accountable for their performance.

The 1997 Constitution created a framework for decentralization and people's participation that can be summarized in three areas, as follows:

1. Organization and Administration. The local authorities have the freedom to manage development and provide public services according to the needs of their constituents in the local community. Local administration can formulate

development plans, personnel policy, as well as budget and financial policy. In addition, the Constitution emphasizes that all local authorities must be elected and will be in office for four years.

2. Duties and Responsibilities. The local authorities are responsible for the development and conservation of natural resources and the environment in their local community. The national government will transfer appropriate functions (including public service delivery) as well as budget subsidies to the local government. The local government can collect certain taxes that a tri-party committee agrees upon, and this agreement will be reviewed every five years.

3. Public Participation. The Constitution indicates that people in local communities can monitor, control and oversee the results and performance of the local administration. It is the government's duty to promote the people's participation in conserving and protecting natural resources and the environment. People can sue any public officials or organizations that fail to perform their authorized functions. A total of 75 percent of the people who voted can impeach any local officials, and 50 percent of the registered voters can propose a new community regulation.

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Citizen-Centered Local Governance in Vietnam: The Participation At Local Level

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Introduction

The Socialist Republic of Vietnam is one of the world's few remaining one-party states, where the Communist Party of Vietnam (CPV) holds the monopoly of the political process. Since the reunification in 1975, the country has been governed by a troika composed of the President of the State, the Government Prime Minister, and the CPV Secretary General.

Since the implementation of the open-door policy, the Party and the Government of Vietnam have fostered the construction of a civilized democratic society. During the last 15 years, a number of legal documents have been put into practice in order to encourage the people's active involvement in social administration and public management as well as the process of decision making. Accordingly, a supervision system and the practice of referendum have been also adopted as a preventive mechanism against undemocratic decisions by the administrative apparatus.

The public participation in political, social and economic decision-making process has been leagalized in Vietnam's Grassroots Democracy Ordinance. First, it is the Decree No. 29/1998/NĐ-CP, issued by Government in May 1998, was aimed at promoting democracy at commune levels. Then, in replacement of this Decree, the Decree No. 79/2003/ NĐ-CP was, launched on July 2003, together with the Regulation on the exercise of democracy in communes, in order to encourage people to involve actively in social and public management.

The first section of this chapter aims to provide a general view of the Vietnamese administration system. In the following section, an emphasis is placed on the participation of the people at the grassroots level, to analyze how democratization through political decentralization could benefit from democratic participation and progress in citizen empowerment. Local governance is a broader concept and means

the formulation and execution of collective action at the local level. Therefore, it plays both the direct and indirect roles of formal institutions of local government hierarchies, as well as informal networks and community organizations. Thus, a good local governance should provide a range of local services which preserve the democratic participation and civic dialogue, supporting market-led and sustainable local development.

Section 1 – An overview of the administration system in Vietnam[1]

The leading role of the CPV is stipulated in the Constitution of the Socialist Republic of Vietnam[2]. The CPV has a nationwide organizational system, from the Central to grassroots levels, and in political- social organizations and economic entities.

There are 175 full members and 25 alternate members of the CPV's Central Committee elected at every five-year National Party Congress (the latest one is the 11th Congress held in 2011). The Central Committee meets twice a year and acts as the CPV's supreme decision-making organ. It then selects by ballot its 16 members to form the Politburo, who in turn would cast their votes for the General Secretary of the CPV and runs Party affairs between Central Committee meetings as Vietnam's most powerful political body in practice. A number of Central Committee and Politburo members also hold senior positions in the State or Government, including the President and the Prime Minister.

Legislative Branch

The National Assembly, whose duration is also five years, is the State's supreme organ with constitutional and legislative power. In May 2011, 500 deputies were elected to the National Assembly, of whom a majority are CPV members (458 deputies) and 12 among them are presently acting as ministers of the government.

The National Assembly elects the President of the State, the Prime Minister, the Chief Procurator of the Supreme People's Court and the Chief Procurator of the Supreme People's Office of Supervision and Control.

The National Assembly meets twice a year into two sessions convened by its Standing Committee. Responsibilities of the National Assembly include fundamental domestic and foreign policies, socio-economic tasks, national defense and security issues, the major principles governing the organization and

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[1] Updated and synthesized from: Socialist Republic of Vietnam, Government Portal, Political system: http://www.chinhphu.vn/portal/page/portal/English/TheSocialistRepublicOfVietnam/AboutVietnam/AboutVietnamDetail?categoryId=10000103&articleId=10001578; United Nation (2004), Vietnam Public Administration Country Profile;

[2] Article 4, Chapter I, Constitution of the Socialist Republic of Vietnam, 2013.

activity of the State machinery, the social relations and the activities of the citizen. The National Assembly has the highest authority to make Constitution and Laws. Legal documents promulgated by the National Assembly are the Constitution, codes, laws and resolutions.

The National Assembly exercises the supreme control over all activities of the State. In recent years, the National Assembly has become increasingly active and influential in setting national priorities, with members prepared to criticise the Government vigorously.

The Standing Committee of the National Assembly is the permanent body of the National Assembly between the two sessions. The Standing Committee supervises the implementation of the Constitution, laws and resolutions approved by the National Assembly and the performance of the Government, Supreme People's Court, Supreme People's Procuracy. The Standing Committee shall issue ordinances to clarify the Constitution, laws and ordinance. The members of the Standing Committee of the National Assembly may not simultaneously be members of the Government. The majority of the members work on full-time basis. The terms of office correspond with the term of office of the National Assembly. However, after the former National Assembly temporarily dissolved for a new term, the former Standing Committee remains its functions until the new National Assembly elects a new Standing Committee.

There are eight functional committees of the National Assembly, including Committee on Laws, Committee on Justice, Committee on External Relations, Committee on Economy and Budget, Committee on National Defense and Security, Committee on Social Issues, Committee on Education, Culture, Youth and Children, and Committee on Science, Technology and Environment.

Executive Branch

The Government is the executive organ of the National Assembly, also the highest organ of the State administration, and the supreme state administrative agency of the Socialist Republic of Vietnam. The President and the Prime Minister are elected by the National Assembly. His term of office follows that of the National Assembly.

The President has the right to nominate candidates for a number of key positions including the Chief Justice of the Supreme People's Court and the Procurator-General of the People's Office of Supervision and Control. The nominees are then approved by the National Assembly.

The Prime Minister, who is charged with the day-to-day handling of the Government, has the right to nominate and dismiss the members of his cabinet,

though only with the approval of the National Assembly. He also has at his disposal the power to cancel or suspend decisions or directives issued by the ministries.

The current Government comprises the Prime Minister, five Deputy Prime Ministers, eighteen Ministers, and four Heads of ministerial-level agencies. Except for the Prime Minister, members of the Government are not necessarily members of the National Assembly.

The Government is in charge of tasks assigned by the State in the fields of politics, socio-economy, national defense, security and external relations; maintains effective operation of the State apparatus from the central to grassroots levels; ensures the respect for, and implementation of the Constitution and laws; promotes the people's sense of mastery in national defense and construction; ensures stability and improves the people's material and spiritual life. The Government is accountable to the National Assembly, the National Assembly's Standing Committee and the President of State.

Judiciary Branch

The Supreme People's Court, the local People's Courts, the Military Tribunals and the other tribunals established by law are the judicial organs.

The Supreme People's Court is the highest judicial organ of the Socialist Republic of Vietnam. It supervises and directs the judicial work of local People's Court and Military Tribunals. The President of the Supreme People's Court is elected for a five-year term by the National Assembly on the recommendation of the president. The president of the Supreme People's Court makes his report to the National Assembly and to its Standing Committee and to the country's President. The President of the local People's Court is responsible to the People's Council. The sentences and decisions of the People's Court which have acquired legal effect must be respected by the State organs, economic bodies, social organizations, armed unit and all citizens. They must be seriously implemented by the individuals and organs concerned.

Local Government

The formal administration system of Vietnam is divided into four levels:

- Central level;
- Provincial level (58 provinces and 5 municipalities);
- District level (about 700 units); and
- Communal level (about 11,100 units).

At all three lower levels there are a representative body (the people's council) and

an executive body (the people's committee). The people's committees and people's councils often have overlapping membership. Local people elect the people's council from the candidates who are usually nominated by the Vietnam Fatherland Front and approved by the higher-level administrative unit. The people's council then selects the chairman and vice-chairman of the people's committee.
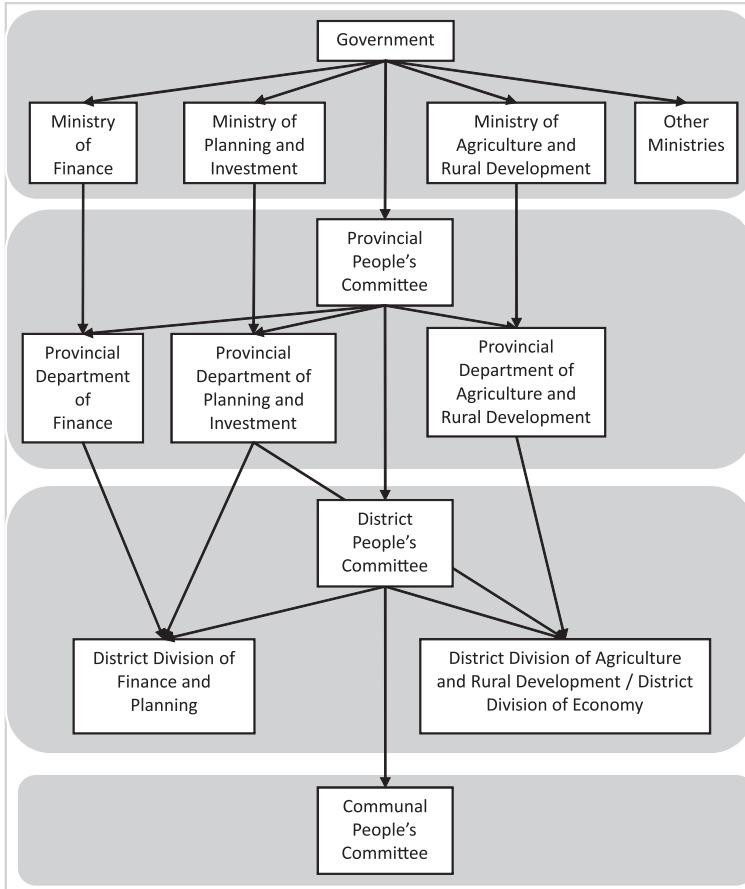

Figure 6.1. Introduction to the administration system of Vietnam

The local people's committee has budgetary and administrative responsibilities. They are in charge of maintaining law, social order and security within their jurisdictions, forwarding budget requests to the higher levels, reviewing and approving plans for socioeconomic development under their authority, executing the budget payments, and undertaking duties assigned by higher administration bodies. The responsibility and the degree of autonomy of local government, however, may vary between provinces depending on the significant role of the province.

Provincial and district departments have a dual reporting responsibility to

the local people's committee and to the central line ministries. The number of departments and their administrative functions at district level are not always the same among provinces (Figure 1).

Civil Society

In Vietnam, civil society remains a term limited for public discussion. Since the Doi Moi (Reform) in late 1990s, the responsibilities of the Party and the Government have been separated, as the Party has lessened its direct administrative role but retained the leadership. In order to involve people in state management and mass organizations, a number of improvements have been made to the public administration.

Thus, the decentralization process in management implemented by the government as well as the provincial and municipal authorities has achieved some positive results, such as the increased power of local governments in master-plan building, planning and investment, finance and budget, property and land management, natural resources and state assets, public services, as well as civil servants and mechanism system.

The most significant endeavor to raise the people's influence on local governance is the introduction of the Grassroots Democracy Ordinance (GDO) in 1998 (revised in 2003). This legal document highlights the people's entitlement "to be informed, to discuss, to execute and to supervise", which is considered as an official basis for strengthening the participation of local communities at the local level. Besides, the citizens now enjoy not only the right to be informed but also to be involved in activities of the people's committee and the people's council at commune level. There are four levels of citizens' participation differentiated: sharing information, providing comments, participating in decision-making and monitoring.

To facilitate the participation of citizens towards devolving decision-making power to local government, the Government also recognizes that it is necessary to intensify its partnerships with other organizations, who work for the people's benefits and needs, by continuing to encourage and support their operation. A recent mapping of civil society shows the existence of a much broader associational life in Vietnam than it is usually assumed (Norlund, 2007). Hence, the civil society has emerged over the last decade and become more powerful in recent years.

Nevertheless, the administrative reform produces small results as the process is complicated and involves changing power relations within the administration. There are less space for civil society to influence planning and budgeting.

Despite the fact that a broader participation now is widely accepted in order

to increase the effectiveness of government projects financed by multilateral donors, such as road building and other infrastructure projects, still very little involvement of the people is observed in large-scale projects as the construction of dams for hydro-electric production or environmental projects. Similarly, there is not much participation at the higher levels of districts and provinces. It will take time to institutionalize the participation in governance, which to some degree has been strongly imposed by donors so far.

Section 2 – The participation at the local level

Participation refers to the process of taking part in different spheres of societal life: political, economic, social, cultural and other fields (Sidorenco, 2006). It can take different forms, as direct (people involves directly to the decision-making process), or representational (through selected or elected representatives).

Participation can also take different levels. The World Bank distinguishes four levels of participation: (1) Information sharing; (2) Consultation; (3) Collaboration and (4) Empowerment (WB 2001). In the best case, participation means a process in which the participants can control the decision-making and resources. Pluto (2007) provided a process of participation as presented in Figure 2.
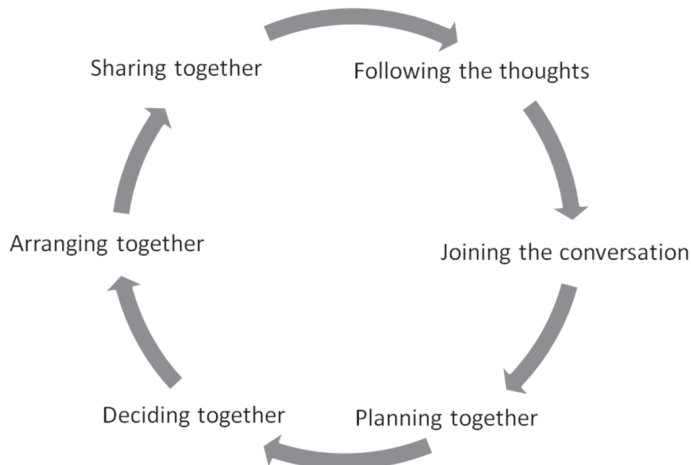

Figure 6.2. Elements of participation process

Source: Pluto (2007). Partizipation in den Hilfen zur Erziehung. Eine empirische Studie. München: DJI-Verlag. Translated and quoted by Ley T. (2013).

Citizen participation refers to political participation, from which it distances at least in two ways: it abstracts both participation mediated by political parties, but the one exercised by citizens when they elect political authorities. It expresses instead the direct intervention of social agents in public activities, however, with

multiple meanings. In this sense, citizen participation involves direct ways in which citizen influence and exercise control in governance, not only through the more traditional forms of indirect representation (Cunill 1997, see Gaventa and Valderrama 1999). Citizenship as participation can be seen as representing an expression of human agency in the political arena, broadly defined; citizenship as rights enables people to act as agents (Lister 1998).

Previously, there were two ways to bridge the gap between citizens and institutions. One was to strengthen the processes of participation, and the other was to build up the accountability and responsiveness of these institutions and policies through the adjustment of the institutional design and concentration on the enabling structures for good governance (Gaventa 2002).

Among the most popular state reforms that have opened spaces for a wider and deeper participation of citizens at the local level, the decentralization process is noticeable. All except 12 out of 75 developing countries with more than five million inhabitants have implemented decentralization with varying degrees of financial and political power (World Bank; Gaventa and Valderrama 1999). In parallel, many of these countries have developed enabling legal frameworks and institutional channels for citizen participation at the local level.

In Vietnam, the Government encourages and facilitates people's participation in many socio-economic development courses at local level, such as the National Target Program for Poverty Reduction, the Socio-economic Development Program for Most Vulnerable Communes in Ethnic Minority and Mountainous Areas (known as Program 135), or the New Rural Development Program, etc.

Local governance is a broader concept and means the formulation and execution of collective action at the local level. Therefore, it includes the direct and indirect roles of formal institutions of local government hierarchies, as well as informal networks and community organizations. Thus, good local governance should provide a range of local services which preserve the democratic participation and civic dialogue, supporting market-led and sustainable local development.

Method

The database used for this study is sourced from the Vietnam Provincial Governance and Public Administration Performance Index (PAPI), the largest and the most comprehensive annual policy monitoring tool in the country. Based on citizens' experiences, PAPI measures the performance and the quality of provincial governance and public administration in an emerging middle-income context.

Since the first survey in 2009, nearly 50,000 citizens have engaged directly

in face-to-face interviews and shared their experiences and assessments of the State's governance and public administration performance, from provincial to village levels. The 2013 PAPI survey is the third annual nationwide one, with data articulating the experiences of 13,892 citizens selected randomly and formulating a representative sample of different demographic groups across the country.

Table 6.1. Key Demographic Variables in PAPI and 2009 Census (%)

		PAPI			2009 Census
		2011	2012	2013	
Gender	Male	47.04	47.33	47.32	49.41
	Female	52.96	52.67	52.68	50.59
Ethnicity	Kinh	84.5	84.35	84.57	85.73
	Minorities	15.5	15.64	15.43	14.27

Source: CECODES, VFF-CRT & UNDP (2014).

Results

The three years of nationwide evidence collected by PAPI presents the results for 'Participation at Local Levels' as the only dimension with a reduction in mean scores for two consecutive years. At the sub-dimensional level, it is interesting to note a reduction of 4.02% in terms of 'Opportunities for participation', while 'Voluntary contributions' experienced a significant improvement of 7.54%. In 2013, the sub-dimension 'opportunities for participation' contributes the greatest to the national dimensional score with 1.75 points on a scale of 0.25-2.5 points (Table 2).

Table 6.2. PAPI Overall Scores by Dimension and Sub-dimension: 2011-2013

Name of Dimension	Scale		National Mean			Mean change %		
	Min	Max	2011	2012	2013	11-12	12-13	11-13
Dimension 1: Participation at Local Levels	1	10	5.30	5.16	5.14	-2.66	-0.33	-2.97
Civic Knowledge	0.25	2.5	1.11	1.06	1.04	-4.78	-2.33	-7.00
Opportunities for Participation	0.25	2.5	1.88	1.82	1.75	-3.23	-4.02	-7.12
Quality of Elections	0.25	2.5	1.45	1.47	1.49	0.91	1.35	2.27
Voluntary Contributions	0.25	2.5	0.85	0.81	0.87	-4.69	7.54	2.50
Dimension 2: Transparency	1	10	5.47	5.61	5.80	2.54	3.40	6.02

Dimension 3: Vertical Accountability	1	10	5.50	5.58	5.65	1.41	1.19	2.62
Dimension 4: Control of Corruption	1	10	5.76	5.90	6.15	2.43	4.24	6.77
Dimension 5: Public Administrative Procedures	1	10	6.88	6.87	6.89	-0.17	0.32	0.14
Dimension 6: Public Service Delivery	1	10	6.75	6.90	6.95	2.29	0.68	2.99

Source: CECODES, VFF-CRT & UNDP (2014).

The analysis of mean scores by dimension and sub-dimension is relevant to capturing a clear picture of nationwide trends, at aggregate levels. 'Participation at Local Levels', as the first dimension of PAPI, measures citizens' knowledge of their rights and how they exercise them. It helps to understand the citizens' participation in society, which is necessary to examine their involvement and their roles in governance.

The first sub-dimension 'civic knowledge' examines citizens' knowledge of their electoral rights and awareness of institutions that safeguard political participation at grassroots level. The second sub-dimension 'opportunities for participation' assesses citizens' opportunities to participate in the election of representatives to the National Assembly, People's Councils at different levels and village heads. The third sub-dimension 'quality of elections' covers the quality of elections of grassroots citizen representatives, or village heads. The fourth sub-dimension 'voluntary contributions' investigates how citizens participate in planning and overseeing commune development projects they contribute to. Table 3 allows a comparison of sub-dimensional scores from 2011 until 2013.

Table 6.3. List of Indicators on Participation at Local Levels

Name of Indicator	National Mean			Provincial PAPI 2013 Scores		
	2011	2012	2013	Status	Scores	Provinces
Participation at Local Levels	5.30	5.16	5.14	Min	4.32	Lai Chau
				Med	5.23	Da Nang
				Max	6.48	Quang Binh

Civic Knowledge	1.11	1.06	1.04	Min	0.78	Ninh Thuan
				Med	1.05	Son La
				Max	1.59	Quang Binh
Knows about elected positions	1.76	1.56	1.46	Min	1.05	Binh Thuan
				Max	2.09	Quang Binh
Knows Grassroots Democracy Decree	34.14%	30.42%	27.37%	Min	4.23%	Lai Chau
				Max	73.77%	Quang Binh
Aware of "People Know, People Decide…"	64.66%	67.51%	65.47%	Min	35.58%	Ninh Thuan
				Max	93.58%	Thai Binh
Correct Term Limit of 2.5 Years	6.97%	7.26%	9.60%	Min	0.30%	Vinh Long
				Max	33.50%	Hau Giang
Opportunities for Participation	1.88	1.82	1.75	Min	1.34	Ca Mau
				Med	1.77	Dak Nong
				Max	2.05	Son La
Voted in Last Commune People's Council Election	70.57%	65.29%	57.49%	Min	29.23%	Ca Mau
				Max	76.52%	Cao Bang
Voted in Last National Assembly Election	65.94%	55.66%	48.40%	Min	17.23%	Ca Mau
				Max	73.11%	Cao Bang
Participated in Village Head Election	83.38%	85.57%	88.49%	Min	68.62%	Dong Thap
				Max	99.96%	Tuyen Quang
Voted for Village Head Election	69.25%	72.87%	71.33%	Min	52.68%	Ca Mau
				Max	92.32%	Vinh Long
Quality of Elections	1.45	1.47	1.49	Min	1.16	An Giang
				Med	1.56	Quang Tri
				Max	1.86	Thai Nguyen
More than One Candidate	51.50%	52.27%	53.81%	Min	16.06%	Lai Chau
				Max	83.38%	Son La
Invited to Participate	57.72%	58.38%	60.36%	Min	16.64%	Lai Chau
				Max	93.73%	Quang Tri

Paper Ballot was Used	86.47%	89.15%	89.72%	Min	11.48%	Da Nang	
				Max	100.00%	Bac Ninh	
Votes were Counted Publicly	60.28%	63.63%	65.94%	Min	27.13%	Can Tho	
				Max	99.65%	Nam Dinh	
Candidate was Suggested	42.93%	47.92%	41.49%	Min	0.00%	Da Nang	
				Max	100%	Quang Tri	
Voted for Winner	90.74%	88.66%	91.71%	Min	67.67%	Dong Thap	
				Max	100%	Tien Giang	
Voluntary Contributions	0.85	0.81	0.87	Min	0.47	Khanh Hoa	
				Med	0.80	Lang Son	
				Max	1.33	Ninh Binh	
Voluntary Contribution to Project	47.90%	47.28%	44.98%	Min	5.60%	Lai Chau	
				Max	86.30%	Hung Yen	
Community Investment Supervision Board Monitors Contribution	10.97%	8.56%	13.89%	Min	0.00%	Dien Bien	
				Max	53.52%	Dong Nai	
Voluntary Contribution Recorded	69.94%	71.12%	75.25%	Min	35.60%	Lai Chau	
				Max	98.51%	Yen Bai	
Participated in Decision-Making to Start Project	34.42%	37.29%	45.28%	Min	8.70%	Dien Bien	
				Max	78.57%	Ninh Binh	
Provided Input to Project Design	21.91%	22.78%	27.96%	Min	4.46%	Lai Chau	
				Max	57.95%	Ninh Binh	

Source: CECODES, VFF-CRT & UNDP (2014).

The national mean of sub-dimension 'Civic Knowledge' was 1.04 points on a scale of 0.25-2.5 points, with a significant decline of 7% compared to the scores in 2011. The decline in the national mean was attributed to a reduction in the three indicators of this sub-dimension: Knows about elected positions; Knows Grassroots Democracy Decree (2011-2013); and Aware of "People Know, People Decide…" (2012-2013). Quang Binh province scored highest at 1.59, about twice the lowest score of 0.78 by Ninh Thuan province.

The last indicator of the sub-dimension, which according to GDD is 2.5 years, measures the citizen knowledge of the duration of terms for elected representatives and the village/residential group heads. At a national level, in

2013, only about 9.6% of respondents gave the correct answer, which seems much lower than expected.

The sub-dimension 'Opportunities for Participation' points to how local governments are helping citizens exercise rights to political participation. On personal voting experiences in village head elections, about 71% of respondents reported they went in person to the elections to vote in 2013 at national level, with lowest score (53%) in Ca Mau province and highest (92%) in Vinh Long province.

The next sub-dimension 'Quality of elections' is assessed by indicators measuring citizens' free choice of candidates, the way the elections are conducted, the transparency, and how winners are announced to the public. At the local level, the election of village heads did not seem to be competitive with about 42% of respondents in 2013 confirmed they were suggested candidates to vote for.

The last sub-dimension 'Voluntary Contributions' measures citizens' experiences in exercising these participatory rights. Participation is not only execution of rights to vote during elections, or debates during commune and village meetings, but also include contribution to any infrastructural works. Once citizens contribute voluntarily to building and/or remodeling community infrastructure such cultural houses, roads or schools, they tend to participate more actively in project processes. The data in three years shows a positive year-on-year increase of this sub-dimension. However, in term of the share of citizens having participated in decision-making, the gap between provinces remained large, from 78.57% in Ninh Binh province to just 8.70% in Dien Bien province.

The PAPI data interpretation can be deduced by looking at two ways: *first*, PAPI individually disaggregates performance levels by province; *second*, PAPI introduces by directly querying citizens about their experiences. The wide variation in PAPI scores across provinces is connected with significant differences in inequality within provinces. Table 4 provides necessary clarity with the average, minimum and maximum inequality observed at provincial level for each year of the PAPI survey for Overall PAPI and Participation at Local Levels.

Table 6.4. Inequality across provinces by Survey Year

	Year	2011	2012	2013
Overall PAPI Local Level	Mean	0.82	0.91	0.98
	Min	0.05 Quang Nam	0.04 Phu Yen	0.02 Quang Nam
	Median	0.54 TT - Hue	0.21 Hanoi	0.41 Phu Tho
	Max	4.50 Lao Cai	14.74 Quang Ngai	14.59 Quang Ngai

Participation at Local Level	Mean	0.04	0.06	0.06
	Min	0.01 Long An	0.00 Hai Phong	0.01 Phu Yen
	Median	0.02 Ca Mau	0.03 Binh Thuan	0.02 Hai Phong
	Max	0.23 Binh Thuan	0.58 Quang Ngai	0.81 Quang Ngai

Source: CECODES, VFF-CRT & UNDP (2014).

The participation inequality is not simply about regional differences or even rural-urban divides, but much more individualized and personal in the PAPI survey. To analyze this, the participation score is regressed on individual characteristics of the respondents. The table 5 shows the regression with the weighted Participation score as dependent variable, while the key independent variables are gender (whether the respondent is male), age (ranging from 15 to 92 years), ethnicity (Kinh majority = '1', other minorities = '0'), education (ranging from '1' = 'no education', to '9' = 'post-graduate degree'), wealth (measured by the number of household possessions of the respondent), occupational prestige (skilled professionals = '1'), whether the respondent is a former or current government official and finally whether the respondent lives in a rural district (rural = '1').

Table 6.5. Correlates of Participation Score with other Dimentions (Ordinary Least Squares method)

Male = 1	Age	Kinh = 1	Education	Wealth
0.344	0.021	0.182	-0.001	0.067
(0.011)	(0.000)	(0.020)	(0.000)	(0.002)
VCP/Gov =1	Skilled Occupation =1	Rural = 1	Year FE	Province FE
0.786	0.046	0.136	YES	YES
(0.018)	(0.013)	(0.013)		
District FE	Commune FE	Village FE		
NO	NO	NO		
Constant	Observations	R-squared	RMSE	
3.663	46,813	0.193	1.189	

Notes: Standard errors in parentheses; p<0.01. Data 2013.
Source: CECODES, VFF-CRT & UNDP (2014).

Large correlations are observed between individual characteristics and the 'Participation at Local Levels'. In general, male respondents, Vietnamese ethnic, the wealthy, professionals and former/current government officials enjoy considerably better participation. Gender and ethnic inequality is often a big challenge in a course for construction of a civilized democratic society. Specifically, women and ethnic minority groups may be encountering to challenges in terms of participation.

In reality, the PAPI data shows that the male advantage was slightly reversed when it came to the knowledge about GDD, but not to other indicators (Table 6).

Table 6.6. Gender and Participation Indicators

		Know about Grassroots Democracy Decree	Aware of "People Know, People Decide…"	Participation in Election for Commune Chairman	Participation in Election for Commune Council
2011	Male	51%	82%	85%	93%
	Female	36%	71%	80%	86%
2012	Male	46%	82%	85%	91%
	Female	32%	82%	78%	83%
2013	Male	45%	83%	82%	87%
	Female	32%	82%	73%	76%

Source: Authors' calculation based on PAPI data.

Similarly, the Kinh majority reported better participation than ethnic minorities, only in terms of civic knowledge, but not in terms of opportunities for participation as revealed throug the correlation between Ethnic group and participation indicators as below.

Table 6.7. Ethnic and Participation Indicators

		Know about Grassroots Democracy Decree	Personally Voted at Election	Participation in Election for Commune Chairman	Participation in Election for National Assembly members
2011	Kinh	45%	99%	82%	90%
	Others	34%	99%	83%	92%
2012	Kinh	41%	99%	81%	87%
	Others	28%	99%	82%	90%
2013	Kinh	39%	99%	77%	83%
	Others	30%	99%	79%	83%

Source: Authors' calculation based on PAPI data.

Educated respondents reported better participation in term of knowledge, equal in contribution to decision-making. Interestingly, the data even shows worse experiences of highest educated group for participation in decision-making, compared to middle group. This trend might reflect different expectations, rather than a worse performance for that group.

Table 6.8. Education level and Participation Indicators

		Know about Grassroots Democracy Decree	Aware of "People Know, People Decide…"	Personally Voted at Election	Participated in Decision-Making	Provided Input to Project Design
Incomplete Secondary	2011	28%	57%	99%	46%	81%
	2012	44%	58%	99%	46%	28%
	2013	21%	56%	99%	51%	32%
Complete Secondary	2011	45%	84%	99%	53%	78%
	2012	37%	82%	99%	54%	33%
	2013	40%	81%	99%	58%	36%
Complete High School	2011	57%	92%	99%	53%	79%
	2012	32%	91%	100%	57%	33%
	2013	51%	92%	99%	60%	35%
University Education Completed	2011	67%	97%	99%	54%	78%
	2012	26%	96%	99%	55%	32%
	2013	62%	97%	100%	57%	35%
Post-graduate Degree	2011	81%	100%	100%	51%	75%
	2012	33%	97%	100%	41%	33%
	2013	62%	100%	97%	55%	32%

Source: Authors' calculation based on PAPI data.

Discussion and Conclusion

Participation seems to be a constitutive characteristic of democratic societies. The idea of participation should not limited to the political system (representative, participation in elections and decision-making), but also mediates to other functional systems (such as economy, culture, etc.).

Participation in political, social and economic life is a Vietnamese citizen's constitutional right which is enshrined in the country's Grassroots Democracy Decree. However, related reports showed that many decisions and development projects and programs remained being built based on a top-down approach without consultation with local people. According to PAPI 2011-2013 data analysis, the participation score was only around 5 points on a scale from 1 to 10.

In public and also in academic debates, there are at least two shortcomings of participation: (1) Participation and Non-participation and (2) Modes and forms of involvement (Ley, 2013). Regarding to the degree of participation, the current situation in Vietnam is more close to the idea of "taking part in", and far beyond an idea of "being part of".

Toward a "full participation", it is necessary to question the relationship

of participation and social exclusion. The social exclusion can be defined as the systematic restriction and denial of opportunities and central resources of society. According to Steinert (2003), 'participation in the basic case means simply having access to the means of survival (food, shelter, and clothing) that are socially produced. Participation in the highest case means access to the means of contributing to new inventions (experience, education, free experimentation, autonomous production) and the generalization of these (via the market and public in the course of debates about possible and desirable futures for society)'.

As the term of empowerment relates to the issue of gaining power and control over decisions and resources, people are empowered through the participation. Participatory initiatives support the participants to express their views and opinions, thus to act on them. Participation and inclusion are considered as one of four key elements of empowerment and poverty reduction (together with access to information; accountability; and local organizational capacity) (World Bank, 2002).

Furthermore, from capability perspective, several aspects of participation could be emphasized. Firstly, the Capability Approach focuses on the possibilities of individuals to realize what they reasonably value. In this sense, participation has to be reasonable, rather than a must. The development is nothing other than a process of expanding the real freedoms that people enjoy (Sen, 1999). The economic freedom generates income for peoples while widening their social opportunities, enhancing their bargaining powers and also helping them to arrange the unequal relations in their communities. For people, participation should not be a duty, but a real option.

Also, the participatory process supports the pursuit of valuable capabilities. Participation concerns agency freedom, as people's freedom to pursue the totality of their considered goals and objectives. Participation relates to Sen's capability approach by focusing on the agency of poor groups (Alkire, 2002).

Finally, according to Nussbaum and her 'list of basic capabilities' (2000), the participation analysis could be explained in another way as an aim to identify the functionings needed for human beings to flourish their own capabilities.

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Civil Society and Local Democracy[1]

Kim Sunhyuk

Introduction: A "Democratic Lag" in Korea

Beyond doubt, South Korea (hereafter Korea) today stands as a democracy. According to Yale political scientist Robert Dahl's "Polyarchy Scores," Korea decisively makes the ranking of "Score 1," which denotes a political system in which "[m]eaningful fair elections are held, there is full freedom for political organization and expression, and there is some preferential presentation of official views in the media" (Dahl 2006, 121). As a matter of fact, one might even assert that Korea is not only democratic but also *overly* so, as it has arguably been a while since there existed "some preferential presentation of official views in the media." Both the current Roh Moo-hyun administration and its immediate predecessor Kim Dae-jung government have repeatedly complained about the "hostile" coverage of their policies by "major" newspapers in the nation.

The Dahlian criteria succinctly stipulate such institutional and procedural requirements as the free elections, civil liberties, and free press that a political system must acquire and provide for in order to be called a "democracy." By focusing on these "minimal" conditions, they serve as a useful tool for distinguishing democracies from non-democracies. As a minimalist conception of democracy, however, it leaves a lot of other important elements and issues of democracy unaddressed. One salient area the Dahlian definition of democracy overlooks is what the relations among state institutions must be like under democracy.

There are two separate dimensions of intrastate institutional relations. One is the *horizontal* relations between the three branches of the government, i.e., the executive, the legislature, and the judiciary. The relationships between the three main branches of the government are significantly reconfigured after a democratic transition. Korea is no exception. The chronic problem of "imperial presidency,"

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which had been far more pronounced during the authoritarian period but was mistakenly overused to depict and assail the democratic regimes in the immediate aftermath of the transition, has considerably abated.

The power of the National Assembly, particularly vis-à-vis the executive branch, has been sizably augmented, and now renders the "gridlock" between the executive and the legislature a routine feature of Korean democracy. The power of the judiciary has also grown visibly. In 2004, in handling the presidential impeachment case (in favor of the ruling government) and the proposed plan to relocate the administrative capital (unfavorably to the ruling government), the Constitutional Court figured prominently in Korean politics. This even prompted some Korean political scientists to caution against the increasing "judicialization of politics" (Choi 2004), obviously alarmed by similar trends in American democracy, in which the outcome of the 2000 presidential elections was ultimately determined by Supreme Court judges. All in all, in a democratized Korea, the presidency is not as potent as it used to be, while on the other hand, the ascendance of the legislature and the judiciary is unmistakable.

The other dimension of intrastate institutional relations, which is the subject of this paper, is *vertical* in nature. It is defined via the so-called intergovernmental relations (IGRs) between the central and local governments. This dimension has had singular significance in Korea. When a number of Korean activists risked their lives to protest against authoritarian regimes and fight for the attainment of democracy in the 1970s and 1980s, "democracy" was epitomized primarily by two things—precisely those two things that were neither tolerated nor permitted by the military and the semi-military regimes of Park Chung-hee and Chun Doo-hwan: one was the direct popular election of the president, and the other was local self-governance. Both were prohibited and were "postponed," because, authoritarian leaders rationalized, Korea had no leeway to embrace such thing due to the grave security threats from North Korea. Naturally, therefore, when the local autonomy system (*jibang jachije*) was officially restored in 1991 and the first local elections held in 1995, Koreans had high hopes for local self-governance in their nation.

After about ten years since the local autonomy system resumed in earnest in Korea, however, the initial euphoria has completely vanished. Both experts and citizens are profoundly disillusioned and embittered about decentralization and local self-governance. One might retort that popular disillusionment is not just about local politics but about democracy *in toto*. This is partially true, as amply illustrated by the plummeting approval rating of the current Roh Moo-hyun administration[2] and the anachronistic nostalgia for the "good old days" under

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[2] It was 11.0% as of November 14, 2006. *The Seoul Daily*, November 17, 2006.

dictator Park Chung-hee. However, sarcasm about local politics is much more pungent and insidious than that about national politics. Academics and ordinary citizens, who may still be reasonably proud of Korea's overall achievements in democratic development, i.e., *national* democratization, shake their heads when it comes to *local* democratization. Public sentiment is best encapsulated in the following statement announced by the Citizens' Solidarity for the 2006 Local Elections (CSLE), a movement group created by 250 or so civil society organizations on March 21, 2006.

> Expectations about citizen participation in policymaking and increased quality of life for local residents are far from being met. Local politics and policymaking are completely dominated by corrupt, inept, anti-democratic, environment-unfriendly, anti-cultural forces and personalities that deride voters with arrogance and self-righteousness and falsely pretend to be the representatives of the residents (CSLE 2006).

According to the final official report released by the Board of Audit and Inspection (BAI), which inspected 250 local governments during June-September 2005, there were numerous cases of budget waste on unjustifiable business projects, illegal expansion of government buildings, *ad libitum* contracts with local businesspeople, abuse of authority, misuse of internal information for personal speculation, and so on. Of 248 local government heads, 31.5% were prosecuted, some of them for serious charges of bribery, embezzlement, etc. (Hong 2006, 28). Another report by the BAI in 2001 observed that out of 876 investment projects planned and pursued by local governments during 1995-2001, only 258 (29%) were in progress. The other projects were either suspended or abandoned. This report suggests that many local governments, without carefully considering their needs and capacities, vie for projects and distribute for political purposes (Jeon 2003a, 90).

In sum, while democratization on the national level has made strides over the past two decades, democratization on the local level has not. As a result, a large discrepancy exists between the degree to which national politics has been democratized and the degree to which local politics has been. This phenomenon of local democratization seriously lagging behind national democratization may be termed a "democratic lag." Alternatively, it may be called "two-speed" democratization (high speed for national democratization and low speed for local) or described as an "absence of democratic trickle-down" (national democratization failing to reach and penetrate local areas). Whatever it may be called, Korea is currently witnessing a puzzling incongruence between national and local politics in terms of the degree of democratization.

This paper provides a diagnosis of and prescriptions for the "democratic lag"

in Korea. I develop an argument that the underdevelopment of local civil society is one of the underlying causes of the slow progress of local democratization. In the following section, I survey the existing literature on the failure of local democracy to establish that the atrophy of local civil society is one of its main causes. The next section provides several "vignettes" into the reality of local civil society in different parts of Korea. In the penultimate section, I probe the causes of the underdevelopment of local civil society in Korea. In the last section, I reflect on the current debate on the proper pace of decentralization and submit a set of policy prescriptions for empowering local civil society in Korea.

The Failure of Local Democracy: Competing Explanations

As is the case with most social phenomena, the "democratic lag" in Korea has multiple and complex causes. Identifying its causes is not an easy task, but the trick is this: what exists in politics at the national level but does *not* exist in politics at the local level? Whatever differences exist between national politics and local politics are likely to constitute the key variables in explaining "democratic lag."

One explanation that can be eliminated relatively easily is the unwillingness of the central government to decentralize. There have been ups and downs in the level of the national government's eagerness and enthusiasm about decentralization. Nevertheless, all governments since 1987 have been keenly aware that decentralization and the promotion of local self-governance is one of the most critical articles in the democratization package, meriting high priority on the national agenda. Of all the governments since 1987, experts also agree that the current Roh Moo-hyeon administration is the most serious about decentralization. The Roh government, immediately after its inauguration, set up two presidential committees devoted to the issue of decentralization—the Presidential Committee on Governmental Innovation and Decentralization and the Presidential Committee on Balanced National Development. Governments in the past were not equipped with similar institutional entities powerful enough to design and implement decentralization policies, which partially explains why "decentralization" easily degenerated into hollow rhetoric.

On July 4, 2003, a few months after its inauguration, the Roh government announced an implementation roadmap for decentralization, based on Roh's campaign pledges, the works of the Transition Committee, citizens' suggestions, and the proposals of civil society groups. The Roh government made clear from the very beginning that it would adhere to the principle of "decentralize first, fix problems later" (*seon bun-gwon hu bowan*), which clearly sets it apart from its predecessors that used to put off decentralization with the excuse that local conditions were not being made ready enough to handle decentralization (Kang

et al. 2005). In December 2003, a special law on decentralization was legislated to stipulate the mechanisms and procedures for implementing decentralization. This law spelled out the objectives of decentralization, such as self-governance through voluntary participation, implementation of self-accountability, respect for local creativity and diversity; rules as to making and revising other legal stipulations that might affect decentralization; the government's responsibilities for carrying out decentralization; and the principles of subsidiarity and citizen participation (Ha 2005).

The Roh government has put special emphasis on several outstanding tasks of decentralization, including: 1) delegating central authority to local units and improving the division of duties between central and local authorities; 2) promoting educational decentralization and introducing the local police; 3) streamlining special local administrative units that work as branches of central government ministries; 4) strengthening local self-governance and ensuring the accountability of local governments; 5) reinforcing the basis of local legislative activities; 6) augmenting the cooperative relationship between central and local governments and between local governments themselves; and 7) increasing the budgetary autonomy of local governments (Kang et al. 2005). Of the 47 main tasks of decentralization, 13 tasks have been completed with the help of relevant legislation, 8 have been submitted to the legislature or are pending, 7 have been planned, and 19 tasks are being handled by relevant task force teams (Ha 2005).

In sum, as compared with previous administrations, the current approach to decentralization has been both serious and impressive. This is why the central government's unwillingness or inability to decentralize cannot be identified as a central cause behind the delayed realization of local democracy. Instead, we are obligated to explain why local democracy does not take shape *despite* the national government's unparalleled earnestness about decentralization.

Most scholars and activists in Korea concur that the failure of local democratization in Korea is chiefly due to two factors. The first is the local power structure characterized by clientilism and patronage networks, reinforced in large part by a national political party system based on regionalism. The second is the weakness and underdevelopment of local civil society. A public poll taken by *Simin-ui sinmun* (NGO Times) on July 20-21, 2004, asked what the most decisive factor explaining the lack of progress in local self-governance and decentralization was. Out of 203 citizens' movement activists, 46.3% pointed to the obstruction and sabotage by vested interests and local elites (*toho*), and 28.1% cited the "lack of civil society activism and participation" (Lee J. 2004).

As a matter of fact, these two factors, i.e., the dominance of local elites

and the weakness of civil society, are inseparably entwined with each other. The anti-democratic, oligarchic power structure in local politics hampers the rise of a powerful civil society, and a stunted civil society continues to reinforce the dominance of the local oligarchy. To chart a better course for local democracy in Korea, therefore, it is imperative to analyze the interactive—and rather destructive—dynamics between local oligarchy and weak local civil society.

A number of scholars have ably examined the local power structure in Korea (Park C. 1999b, 2000b, 2001a, 2001b; Lee Gwang-hui 2004; Jo 2006). They commonly report that local politics in most of the cities and towns in Korea is dominated by strong officeholders – governors, mayors, county chiefs, et al. Nobody expresses this more succinctly than Park Chong-min: "local power resides nowhere else but city hall" (Park C. 1999a, 181).

There are no effective challenges to the dominance of local officeholders in policymaking: it is not found in local businesspeople, interest groups, nor movement organizations. Rather, these other potentially challenging actors are constrained by an elaborate web of patronage/clientilist networks. The local patronage/clientilist networks are composed of manifold dyadic alliances between two persons of unequal status, power, or resources. The superior member of such an alliance is called a "patron," and the inferior member is called his/her "client" (Landé 1977, xx).

In most local cities and towns in Korea, networks are formed between powerful officeholders on the one hand ("patrons") and local bureaucrats, legislators, businesspeople, and other local elites on the other ("clients"). Patronage/clientilist networks, thus formed, are very diffuse, particularistic, and emphasize face-to-face interaction and mutual benefit (Lemarchand 1981, 15). In other words, the patronage/clientilist networks are based not only on cold-headed calculation of material interests but also on affectual—and thus primal— bonds/solidarity derived from blood, school, and regional ties (Park C. 2000b, 200).

In Korean-style local patronage/clientilist politics, the "patrons" usually provide favors in the form of prejudiced policies and projects, while the "clients" offer electoral mobilization and support (Park C. 2000b). Such patronage/clientilist networks and their intra-network exchanges inevitably result in an unequal distribution of resources and benefits in the community involved, but the costs are nevertheless equally shared by all local taxpayers (Jeon 2003b).

The local patronage/clientilist networks are buttressed by the peculiar political party system in Korea. Jang (2006) cogently demonstrates that local democracy in Korea is not yet on the horizon because local politics is too much "colluded" with national politics at the center. Specifically, under the current system in which

local candidates must get nominations from national political parties in order to run for elections, local politicians ineluctably become dependent on national parties. They use all possible means, including bribes, to influence central party politicians who are in charge of the nomination process.

Ordinarily, nomination *per se* should not mean much, since it is not the same as actually winning an election. However, what makes "getting a nomination at all costs and against all odds" extraordinarily sensible in some local electoral districts is closely related to the development and solidification of region-based political parties in post-transitional Korea. Major political parties since 1987 have more or less been based on certain regions, and obtaining a nomination from the political party favored by a region virtually guarantees one's election: getting nominated is almost synonymous with getting elected. Since the nomination process does not incorporate much bottom-up input from local residents, this practically means that the central party leaders have tremendous authority to literally "appoint" local legislators, who, if elected, feel more obliged to their central party officers than to their local constituency (Jang 2006, 50).

The patronage/clientilist networks paradigm, supplemented by the national political party system built on regionalism, is certainly a powerful explanation for the absence of local democracy in Korea. However, this explanation is incomplete and partial at best without a look into what really makes such local patronage/clientilist networks continue to operate unchallenged, unchecked, and unscathed. This is where the underdevelopment of local civil society must be weighed in.

What is prominently lacking in local politics in Korea is a viable civil society-based opposition to existing patronage/clientilist networks. This becomes evident if we compare national and local politics. In national politics, patronage/clientilist networks and their pernicious effects on policymaking would easily and quickly raise the eyebrows of major newspapers, and civil society organizations and activists would take to the streets to complain and protest. This does not take place in local politics, because local civil society in Korea is in general bleak – sparse in terms of the organizational density of civil society associations and problematic in terms of their capacity to play critical democracy-promoting functions.

Local civil society, were it densely populated and properly constituted, would perform crucial roles in enhancing the quality of local democracy. For example, local civil society can serve as a Tocquevillian big school of civic education inculcating citizens with democratic values and leadership skills; heighten the quality of public services by pressuring local administrations to enhance transparency and efficiency; complement the highly limited representative

functions of existing political parties based on regionalism; and supplement the limits of representative democracy at large through direct democracy mechanisms such as initiatives, referenda, and recalls.[3] Additionally, civil society organizations could function as alternative, impartial sources of information, particularly when the local mass media is biased or itself coopted into existing patronage/clientlist networks. All these essential democracy-promoting functions are not being adequately performed by Korea's local civil society. Instead, local civil society is still haunted by the legacies of past authoritarian political regimes, in which society was composed of various government-controlled "neighborhood" organizations that were in effect loudspeakers and executive apparatuses for central authorities.

Local Civil Society: "Vignettes"

An exhaustive study of local civil society in Korea is beyond the scope of this paper. In this section, I instead try to provide several "vignettes" of the reality of local politics in different parts of Korea. The cases are neither representative nor randomly selected. The evidence is largely illustrative, anecdotal, and thus incomplete. The descriptions of local civil society found in the existing literature vary. But there is one glaring commonality—the existence of strong existing networks of local elites and the dearth of an oppositional civil society to check them.

According to Kim Ju-wan's (2006) account of Masan, those who collaborated with the Japanese colonial government not only survived the immediate post-liberation period intact but even thrived under Syngman Rhee's Liberal Party, Park Chung-hee's Democratic Republican Party, and Chun Doo-hwan's Fifth Republic. In sum, the ruling elite in the locality has never undergone any cataclysmic changes. What has enabled and ensured the continued prosperity of local elites was the vast existence of pro-government groups (*gwanbyeon danche*).[4] Ultra-right, anti-communist personalities have occupied the upper echelons of these pro-government associations. These groups basically serve as conduits through which local businesspeople and politicians communicate with and influence the local government. Surveying Masan's local politics, Kim argues that it is imperative to terminate state support for these pro-government groups and

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[3] For the crucial roles of *national* civil society in democratic consolidation, see Diamond 1994 and Schmitter 1997.

[4] It is grossly misleading (and indefensibly generous) to characterize these groups as "conservative." They are by no means "conservative." The common denominator binding these groups together is not a common ideological orientation—although they do share strong anti-communism—but a strong desire to access and benefit from whatever government is in power. This is the only way to make sense of their "unwavering" allegiance to both the autocratic governments of Park Chung-hee and Chun Doo-hwan and the democratic governments of Kim Dae-jung and Roh Moo-hyun.

concludes that decentralization without local democratization will only strengthen the power of existing local elites.

Heo's (2006) narrative of Daegu shows how a city that had once been known for its progressiveness could dramatically change into a "conservative" city. When Syngman Rhee competed with Cho Bong-am, the Progressive Party leader who was later executed by Rhee on espionage charges, for the presidency in the 1950s, Daegu was the city in which the number of votes for Cho greatly surpassed that for Rhee. But the city rapidly turned conservative since Park Chung-hee, who was from the region, came to power in 1961 through a successful military coup. The "conservatization" of the city, according to Heo, was largely due to the collusion between the local government and the local media. This still prevails under the current Roh Moo-hyun government. Daegu's mass media and residents were consistently tepid about investigating into the "murder by the court" case of the People's Revolutionary Party incident in 1974. The investigation was instead demanded and carried out by outside actors, which stands in stark contrast with Jeju residents' attitude toward the April 3 Massacre or Kwangju residents' attitude toward the Kwangju Democracy Movement in 1980. Heo concludes that the creation and development of a reform-minded, progressive local media is a critical condition for local democracy.

Choe and Sa (2004), based on their "social network analysis" of 15 civil society organizations in major Gangwon cities such as Chuncheon, Gangneung, Wonju, and Sokcho, raise alarm at the fact that the groups they studied are not very active and do not explore active cooperation with one another. Similarly, Jin (2002) lists the numerous limitations of the Chuncheon Citizens' Coalition for Economic Justice (Chuncheon CCEJ), one of the most representative civil society groups in Gangwon Province. He submits that Chuncheon CCEJ duplicates the well-known problem of the national CCEJ headquarters, i.e., "a citizens' movement without citizens." He wonders whether the main reason for this should be found in the way Chuncheon CCEJ was created. The founders of the association were not really rooted in the Chuncheon area. Rather, the organization was "hastily manufactured (*geupjo*)" from above and from outside by the central CCEJ in Seoul. Furthermore, the founders were not ordinary citizens – they were religious and educational elites. Pastors, priests, and professors accounted for 71.4% of the founding members (Jin 2002, 40). In this respect, the result of "a citizens' movement without citizens" was nothing surprising.

A very interesting case in Gangwon-do province is Won's (2006) study of Taebaek. Taebaek had a rich tradition of labor movement before the democratic transition during the 1970s and the 1980s, as well as a history of activity in progressive party movements in the 1990s. When the national government

implemented the "coal industry rationalization policy" during the 1990s, pro-government pseudo-civil society groups and *bona fide* civil society groups in the area constructed a united front to wage a campaign to revive the local economy and to call for a special law to promote local development. Eventually, a special law was legislated to the satisfaction of all those who participated in the campaign. However, once the special law was passed, the region plunged into bitter struggles among different towns and interest groups over the profits generated from the gambling industry newly introduced as part of the local economic resuscitation program. Although civil society groups in the area should be lauded for "reviving" the local economy, they, in so doing, concurrently contributed to the generation and escalation of local conflicts. Won (2006) ruefully recounts that the civil society movement in the Taebaek area is now completely delegitimated and demoralized, and has been relegated to a peripheral and weak position.

Civil society groups in Jeju are not very active either, according to Lee and Kim (1999). Based on surveys of 12 major civil society groups in the region in October 1998, they report that voluntary participation in the civil society organizations is very low, particularly due to the persecution complex engendered by the April 3 Massacre and its aftermath during 1948-54, in which scores of thousands were killed. The civil society groups in Jeju share many serious problems with those in other regions, such as an inadequate budget, an elite-centered decision-making process, too many activity areas, low member participation, and a lack of professionalism and expertise on the part of the permanent staff.

Apparently, the weakness of local civil society has little to do with the locality's geographic position. Not only the cities remote from Seoul but also the cities adjacent to Seoul and even Seoul itself betray similar problems. The most penetrating analysis of urban politics to date is provided by Park Chong-min (1999a, 2000a). Based on a 1999 interview with 350 residents in Seongnam, a satellite city of Seoul, Park provides a lucid portrait of local civil society in the city. Local civil society in Seongnam is characterized by a lack of activism, political apathy and ignorance, low participation, and unconventional (and thus uninstitutionalized) citizen action via protest or personal contacts. A powerless civil society in Seongnam is especially puzzling, because the area boasts a well-known history of vigorous movements for laborers and the urban poor in the 1980s.

Seongnam citizens are very atomized, not belonging to any voluntary associations. The public sphere in general is dominated by pro-government groups and other "neighborhood" organizations, which are nothing but a one-way communication channel to inform the residents of government decisions and propaganda. Local media do not receive any significant public attention,

usually dwarfed by residents' interest in national politics and national media. All these pathologies of local civil society in Seongnam conspire to enable the mayor's peremptory handling of municipal affairs and his collusion with local lawmakers, public servants, and local businesspeople. Park's works demonstrate that what lies at the heart of the officeholder-dominant power structure in many local cities and towns in Korea is a fragile local civil society.

The local politics of Korea's capital, Seoul, is not markedly more democratic either, according to Jo (2006). Characterizing the complex relationships and interactions among the mayor, public servants, municipal legislators, businesspeople, construction contractors, et al., as "pandemonium" (*bongmajeon*), he provides a piercing analysis of the mechanisms and dynamics underlying "neo-developmentalist" projects eagerly pursued by former Seoul mayor Lee Myeong-bak. Jo claims that Lee, as a potential candidate for the 2007 presidential elections, utilized his patronage/clientilist networks and pro-mayor "epistemic community" to maximize the demonstration effects of all those development and construction projects. What is completely deficient in this entire "pandemonic" craze about mega projects is citizen participation.[5]

Additionally, S-p Park(2001)'s study of Dongdaemun-gu in Seoul reveals that in most of the ward's collaborative projects with civil society, "partnership" was limited to pro-government groups and "neighborhood groups" that tended to be conservative. Collaborative projects included detecting illegal sales of liquor and cigarettes to minors, reporting the illegal operation of liquor bars, etc. Because "real" civil society groups that are independent of government influence and subsidy are either unwilling or unable to participate in these government-initiated partnership projects, the overall landscape of local civil society in Dongdaemun-gu is predominantly shaped by conservative, pro-government, pseudo-civil society organizations. Jo's analysis of Seoul municipal administration and Park's study of Dongdaemun-gu reveal that "democratic lag" is not really a geographic (i.e., center vs. periphery) issue. Rather, the lack of civil society is quite a pervasive problem in Korean local politics.

The last vignette is that of Buan's. Ko's (2006) account of the city's reaction to the nuclear waste site controversy and the subsequent turmoil during 2003-2005, which the author labels "the Buan Uprising," suggests a fascinating possibility of how an apathetic, indifferent local community engrossed in their daily economic survival could transcend their differences to forge solidarity against the authoritarian policymaking of a local government. In reaction to the county head's unilaterally decided proposal to establish a nuclear waste site in Buan, local

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[5] In response to Jo's analyses, one of the former public officers under Lee Myung-bak filed a libel lawsuit.

residents rapidly mobilized themselves, creating a community informed about nuclear issues, overcoming political apathy and differences, communicating with one another, and struggling for the greater good. They actively explored and developed new movement strategies and repertoires. The Buan residents' campaign combined anti-nuclear, local, and environmental movements together to protest, resist, and eventually arrest the one-sided, top-down decision-making practice of local authorities.

Accounting for the Underdevelopment of Local Civil Society

Now, what explains the underdevelopment of local civil society in Korea? Examining the causes of underdeveloped local civil society has crucial prescriptive implications. Depending on the result of the examination, we will be able to determine whether the weakness of local civil society and the resultant "democratic lag" is but a fleeting phenomenon in Korean democracy, destined to disappear within a few years, for example, or a more enduring problem that will likely to frustrate Korean democracy for a long time. It is essential, in this regard, to locate the root causes for the underdevelopment.

What sets apart the *national* democratization of Korea from those cases in Southern Europe and Latin America, those first generation democratizers of what Huntington termed "The Third Wave" of global democratization (Huntington 1991), is the prominent role of civil society and social movements in promoting democratization. Civil society in Korea, primarily composed of student groups, labor unions, religious organizations, and other movement assemblages, played momentous roles in ousting authoritarian regimes and restoring democracy (S. Kim 2000). What is therefore singularly intriguing in the Korean case is why we do not witness a similarly prominent role of civil society in promoting *local* democracy.

To solve this puzzle, it is important to take one step back and carefully examine the overall trajectory of Korea's socioeconomic and political transformation during the 1960s, 1970s, and 1980s. Korea's industrialization since the early 1960s entailed rapid urbanization and uneven development in different regions—uneven between urban and rural areas and uneven between Seoul and the other local cities. Seoul, which held the nation's political and economic engines, best institutions of higher education, and other cultural amenities, attracted elites from the other areas *en masse*, which resulted in an extreme concentration of the educated in Seoul. The bright young students from rural areas went to high schools and universities, landed jobs, raised families, and were engaged in professional activities in Seoul. These intellectuals, either as part of the authoritarian establishment or as part of the dissident movement camp against the authoritarian order, were fully engaged

in the game of *national* democratization. Meanwhile, the localities these young elites left at home were depopulated. Local civil society, as such, simply could not perform any of the presumed democracy-promoting functions.

With the cream of the crop all migrated to Seoul, local civil society remained relatively easy to control. While the national government had to agonize over how to cope with dissident civil society groups and their evolving alliance with opposition politicians in Seoul, it effectively regimented and disciplined local civil society according to the dogmas of "national security at all costs" and "economic growth at all costs." As a result, the local society during the authoritarian period was dominated by pro-government and "neighborhood" organizations with no autonomy from the state and were not even deserving of the nomenclature of "civil society" groups. These groups were mobilized liberally by the authoritarian metropolis for modernization and "electoral support"—those horribly flawed and problematic "elections" during the authoritarian era.

The post-transitional "reorganization" of local civil society in the 1990s did not change much either. Many "new" local civil society organizations were created. But most of them were created from above and by outsiders, effectively copying and benchmarking the governance structures, operational procedures, and decision-making processes of their national headquarters. As such they were in serious lack of local roots. As compared with the 1980s, civil society groups in local areas have significantly increased in their number. However, because they were in large part extrapolated by national – and thus outside of the locality— civil society organizations, they have been not as powerful and effective as the pseudo-civil society groups of the authoritarian era.

On the national level, the malfunctioning political party system and public distrust of the political establishment at large served as a useful "pull factor" for the emergence of a vibrant civil society. Civil society organizations were in effect perceived by the public as an alternative route to articulate and represent popular interests, partially replacing political parties. Why do not similar dynamics work to promote local civil society? To answer this question, we need to understand that "representation" is a variable concept, different at national and local levels. At the national level, the most important public interest worthy of representation is that of compelling the government to design and implement democratic reforms and socioeconomic programs. Civil society groups at the national level fulfill precisely such a representative function.

At the local level, however, public interest is more direct and palpable. Abstract ideas (or ideals) and principles are not as important as concrete construction projects or infrastructural improvement. When it comes to meeting

these specific material interests of the local populace on a practical level, those fancy and noble "citizens' groups," with no intimate local roots and with structures and orientations too similar to those of national civil society groups, are unable to match the performance of seasoned pro-government groups and local party chapters, deeply embedded and strategically located in the complex patronage/clientilist networks in town.

The crux of an account to explain the underdevelopment of local civil society in Korea is, therefore, to explicate the degree to which local civil society was and still is centralized. The extreme centralization of the Korean state is only beginning to thaw, in part owing to the vigorous decentralization initiatives of the current Roh government. Political parties are still extremely centralized, and local party chapters remain peripheral and marginal, being dormant and almost meaningless between elections (Park C. 2001a, 165). The development of local civil society has not been immune to such powerful centripetal influences inherent in Korean politics either. The civil society that emerged anew at the local level in the post-transitional period have been too dependent on national civil society organizations, criticized for its rootless, impractical, and elitist nature (T-r Kim 2003, 16). As has been the case all along since the inauguration of the Republic of Korea in 1948, overcoming this centripetality—or the "politics of the vortex" (Henderson 1968)—is a tall order for Korean democracy, requiring Herculean efforts and applicable not only to the state and political parties but to civil society as well.

Conclusion: How to Empower Local Civil Society

Empowering civil society is essential for the future of Korean democracy. For local civil society to be empowered and to play roles similar to those played by national civil society in promoting and consolidating democracy, several tasks must be completed, both by the state and by civil society groups themselves.

First, the central government's initiatives at decentralization must continue, without flagging or losing intensity. Some supporters of decentralization, understandably frustrated by the tenacity of local patronage/clientilist networks, have recently suggested that the central government should decelerate decentralization. Speedy decentralization, they argue, would only strengthen the power and influence of already mighty local elites (Jeon 2003a). These prescriptions, albeit well-intended, do not seem to be conducive to the empowerment of local civil society. "Tentatively suspending or slowing down decentralization until local civil society is mature enough to accept democracy" sounds reasonable—but in fact is not. How do you know whether and when local civil society is "mature"? Who decides whether it is appropriate to resume the drive to decentralization? This approach is simply too reminiscent of the authoritarian argument that

insisted on "holding off decentralization until Korean people are ready to take it." Yes, there certainly exists a "democratic lag" in Korea, symbolized by the serious gap between national civil society and local civil society. However, this can never justify a top-down decision to slow down or hold off decentralization.

If we look at closely the dynamics of *national* democratization, it is clear that we did not have a perfect civil society prior to the democratic transition. Nor did we expect such a meteoritic rise of civil society in the politics of democratic consolidation. It was only after the country was democratized that public administration structures and policymaking processes were put under the close scrutiny of civil society actors. Local democratization should not be different. Decentralization, which is intended to make local governments meaningful, must continue. Only after they become significant actors, genuinely in charge of the budget, personnel, organization, and decision-making at the local level, would local civil society have something substantive to check and balance. The empowerment of civil society should not be postulated as a precondition for further decentralization. Rather, further decentralization is likely to heighten the stakes involved in local governance and local politics and local citizens' sense of political efficacy, which in turn would help local civil society groups mobilize themselves to monitor and assess the performance of local governments. A number of tasks for local civil society to carry out are in order. Most of all, local civil society groups must be reorganized and run by local residents and ordinary citizens themselves, rather than elites inside or outside of the region. And these retooled voluntary bottom-up groups must first lead a movement for assailing and dismantling the existing patronage/clientilist networks in local politics. They also need to upset and eventually crack the long dominance of pro-government and "neighborhood" organizations. These pseudo-civil society groups are an embarrassing relic of our authoritarian past in which the autocratic regimes used these demographically unrepresentative, ideologically biased, and professionally incompetent organizations to propagate and implement its official policy lines. In furthering and expanding such a movement, local civil society groups should create and develop networks and solidarity with groups in other regions and take advantage of technology to promote the cyber participation of local residents.

In the long haul, local civil society must gradually decrease its dependence on national civil society. However, for the time being at least, assistance and support from national civil society groups will prove essential. National civil society groups must put local democracy very high on their agenda and make concerted efforts at pressuring national and local politicians to implement necessary institutional and legal steps to make policymaking process more open, transparent, and accessible (Hong 2006, 44).

Korean democracy, after nearly two decades since the transition from authoritarian rule in 1987, stands at best crippled. There have been significant strides in national politics owing to the active contribution of civil society groups, but no similar progress has taken place at the local level. As long as local politics stays clientilistic and local civil society is dominated by anti-democratic forces, Korean democracy has to bear the ignominy of being called a "two-tier" or "two-speed" democracy. As long as "real" politics is out there at the national level (Kolesas 1998, 142) and as long as local politics is considered to be an epiphenomenon of national politics, Korean democracy is far from having been fully consolidated or deepened.

In this respect, Korean civil society's pro-democracy uprising in 1987 is still unfinished. Until local democracy is established and local civil society performs various democracy-promoting functions, Korean democracy will remain vulnerable. Only when we bring about numerous micro-level changes at the local level, will the macro-level transformation at the national level we accomplished in 1987 hold together, remaining substantive and meaningful. Persistent decentralization, the national government's constant efforts at institutionalizing citizen participation, national civil society's support for the empowerment of local civil society, and most of all local civil society's own struggle to restructure local reality are all integral to realizing our unfinished, permanent democratic revolution.

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