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Decentralisation and inclusive governance in fragile settings

Lessons for the Sahel

Countries in the Sahel are currently involved in decades-long decentralisation reforms. Decentralisation promises more inclusive governance and reduced fragility. International donors have channelled massive resources into decentralisation programming efforts as to strengthen local governments as entry points for service delivery. But while unitary centralised systems of governance have failed to deliver, decentralisation is no panacea either. Bringing governance 'closer to the people' brings national challenges at local level: poor institutional capacity, elite capture and political conflict. How can decentralisation programming efforts in the Sahel play a role in inclusive governance and conflict resolution? Past decentralisation efforts in sub-Saharan Africa suggest certain conditions, as well as design and implementation processes need to be in place for decentralisation to succeed. Policymakers should guarantee sustained financial and human resources; engage more actively local governments in conflict resolution; focus on the process of enhancing local governance as a result with its own intrinsic value; and think more strategically about which service delivery sector they should support.

Mali, Niger and Burkina Faso are all currently involved in decades-long decentralisation reforms.¹ These three countries share an unprecedented security crisis that started in northern Mali in 2012 before spreading out to the region. Another common feature shared by Mali, Niger and Burkina Faso – inherited from French colonial rule – is a highly centralised unitary state.²

Policy makers blame the historically heavy-handed centralised forms of governance on the denial of participatory practice and citizenship rights, the abandonment of parts of the country, and the concentration of power and resources in the nation's capital.³ Such conditions are seen as fertile grounds for conflict, or at least impediments to conflict resolution and good governance, especially in divided and ethnically diverse societies. Decentralisation, on the contrary, promises greater democracy, more effective

1 Ouedraogo, H.M.G., 2003. 'Decentralisation and local governance: experiences from Francophone West Africa'. *Public Administration and Development*, 23(1), p. 97–103.

2 Ekanza, S.P. 2006. 'Le double héritage de l'Afrique'. *Études*, 404(5), 604–616. Available at : <https://www.cairn.info/revue-etudes-2006-5-page-604.htm>.

3 Ministère de l'Economie et des Finances. 2019. *Projet de développement des ressources de l'état et décentralisation pour l'amélioration des services : Manuel d'exécution et de suivi évaluation du projet.*

policies, growth in development and reduced poverty.⁴

Since the early 1990s, decentralisation has been one of the dominant policy paradigm. Between 1990 and 2007, the International Monetary Fund and the World Bank spent a combined US\$7.4 billion on decentralisation programming efforts, and 80 percent of all countries in the global south have enacted some degree of decentralisation in the last thirty years.⁵ As recently as 2014, the United Nations Department for Political Affairs created a special support unit focused on power sharing and decentralisation. Facile policy recommendations fuelled by ambitious theories of change have won over international donors and policy makers.⁶ But while unitary centralised systems of governance have failed to deliver, decentralisation is no miracle cure either.⁷ How can decentralisation programming efforts in the Sahel play a role in inclusive governance and conflict resolution?

This policy brief contributes to the debate by exploring examples from countries in sub-Saharan Africa where decentralisation reforms have been enacted. It finds that bringing governance ‘closer to the people’, brings national challenges at local level: poor institutional capacity and provision of services, elite capture and corruption, and potentially violent competition over elected offices and resources. Yet local governments offer a great opportunity as an entry point for

change in the Sahel. Certain conditions, as well as design and implementation processes, need to be in place for decentralisation to succeed. But not all decentralised public sectors matter equally to fragility. Policymakers should guarantee sustained financial and human resources and engage more actively local governments in conflict resolution. They should focus on the process of enhancing local governance as a result with its own intrinsic value, and think more strategically about which service delivery sector they should support. Lessons learned from past decentralisation processes in similar war-torn countries can shed a light on the dos and don’ts of decentralisation reforms and offer a possible roadmap towards conflict resolution and inclusive governance in Mali, Niger and Burkina Faso.

Ambitious theories of change

Decentralisation comes in many forms, and social scientists have multiplied analytical classifications to categorise them. Overall, the main feature of decentralisation is the transfer of authority, responsibility and accountability from a country’s central government to subnational units. It features the spatial redistribution of administrative (functional responsibility), fiscal (access to resources), and political/legislative (accountability) powers to lower levels of government.⁸ We can distinguish between two distinct conceptions of the role of decentralised local governments in fragile settings:

Some consider local government is a great entry point for service delivery and social cohesion. The main rationale is that using local units to enhance service delivery, tailor them to local needs and create sustained and shared growth, will create a virtuous cycle of better governance and greater accountability.⁹

4 Erk, J. 2014. ‘Federalism and Decentralization in Sub-Saharan Africa: Five Patterns of Evolution’. *Regional & Federal Studies*, 24:5, p. 536.

5 Crawford, G. and Hartman, C. 2008. ‘Introduction: decentralisation as a pathway out of poverty and conflict?’ In: G. Crawford and C. Hartman (eds). *Decentralisation in Africa: A Pathway out of Poverty and Conflict?*, Amsterdam University Press, pp. 7–32. p. 7. ; Lewis, J.I. 2014. ‘When decentralization leads to recentralization: subnational state transformation in Uganda’. *Regional & Federal Studies*, 24(5), 571–588.

6 Erk, J. 2014. ‘Federalism and Decentralization in Sub-Saharan Africa: Five Patterns of Evolution’. *Regional & Federal Studies*, 24:5, p. 536.

7 Erk, J. 2015. ‘Iron Houses in the Tropical Heat: Decentralization Reforms in Africa and their Consequences’. *Regional & Federal Studies*, 25:5, p. 409–420.

8 Keil, S. and Anderson, P. 2018. ‘Decentralization as a tool for conflict resolution’. In: K. Detterbeck and E. Hepburn (eds). *Handbook of Territorial Politics*. Cheltenham: Edward Elgar Publishing.

9 *Sustaining peace at local level* (2018) [Workshop]. The Hague Academy: The Hague. 24 April 2018. Available at: <https://thehagueacademy.com/wp-content/uploads/2018/07/10-Year-Report-Workshop-1-Sustaining-Peace.pdf>.

The focus is therefore on strengthening each of these processes via fiscal decentralisation and inclusive citizen participation, which ultimately strengthens social cohesion and the legitimacy of local government. As such, decentralisation gives local communities a certain degree of autonomy to administer policies that best suit them, provides them with the resources to carry forward these policies and legitimate channels to articulate grievances, and puts checks on central government.¹⁰ The purported goal is that decentralisation – and thus greater citizen participation at local level – will eventually bolster democratisation and inclusive governance.

Others understand the role of local government to be that of a conflict-resolution actor. In this case, the goal is to manage conflict, fault lines, group cleavages and competition over resources.¹¹ Many scholars view decentralisation as a tool for conflict resolution and violence mitigation, especially where there are inter-ethnic or religious conflicts.¹² As the theory

goes, decentralising the state's powers to lower levels of government establishes mechanisms for power sharing between competing local communities, enables their political representation at local level and grants them a certain degree of self-governance, which quells calls for violence and secessionist aspirations. It prevents the resurgence of conflict by providing minority groups with limited autonomy while concomitantly safeguarding the territorial integrity of the extant state. In that way it satisfies the demands of all communities within a country. Decentralisation also instils a sense of stability, confidence and belonging to the state as a whole, all the while institutionalising distinct ethnic or cultural identities.¹³

But despite the vast corpus of enthusiastic theory it has generated, and policymakers best efforts to attain the potential benefits of a more decentralised public sector, 'the promised benefits of decentralisation often remain illusive'.¹⁴ The reality of decentralisation on the ground often differs from the original institutional blueprint envisioned by national governments and international sponsors.¹⁵ In fact, grand promises of greater democracy, better governance and less conflict say very little of the real value of decentralisation to resolve conflict, mitigate fragility or enhance inclusive governance. Examples of how

10 Scholars Keil, S. and Anderson, P. 2018. 'Decentralization as a tool for conflict resolution'. In: K. Detterbeck and E. Hepburn (eds). *Handbook of Territorial Politics*. Cheltenham: Edward Elgar Publishing.

11 *Sustaining peace at local level* (2018) [Workshop]. The Hague Academy: The Hague. 24 April 2018. Available at: <https://thehagueacademy.com/wp-content/uploads/2018/07/10-Year-Report-Workshop-1-Sustaining-Peace.pdf>.

12 Consensus between scholars Keil, S. and Anderson, P. 2018. 'Decentralization as a tool for conflict resolution'. In: K. Detterbeck and E. Hepburn (eds). *Handbook of Territorial Politics*. Cheltenham: Edward Elgar Publishing ; Bakke, K.M. 2015. *Decentralization and Intrastate Struggles: Chechnya, Punjab and Québec*. New York: Cambridge University Press ; Brancati, D. 2009. *Peace by Design: Managing Intrastate Conflict through Decentralization*. Oxford: Oxford University Press ; Weller, M. and Wolff, S. (eds). 2005. *Autonomy, Self-governance and Conflict Resolution: Innovative approaches to institutional design in divided societies*. London and New York: Routledge ; Hartzell, C. and Hoddie, M. 2003. 'Institutionalizing peace: power sharing and post-civil war conflict management'. *American Journal of Political Science*, 47(2), p. 318–332. ; Bermeo, N. 2002. 'A new look at federalism: the import of institutions'. *Journal of Democracy*, 13(2), p. 96–110.

13 Bakke, K.M. and Wibbels, E. 2006. 'Diversity, disparity, and civil conflict in federal states'. *World Politics*, 59(1), 1–50, p. 5.

14 Boex, J. and Yilmaz, S. *An Analytical Framework for Assessing Decentralized Local Governance and the Local Public Sector*. IDG Working Paper No. 2010-06. Available at: <https://www.urban.org/sites/default/files/publication/29451/412279-An-Analytical-Framework-for-Assessing-Decentralized-Local-Governance-and-the-Local-Public-Sector.PDF> ; See USAID. 2010. 'Comparative Assessment Of Decentralization In Africa: Mozambique In-Country Assessment Report.' USAID. Available at: https://pdf.usaid.gov/pdf_docs/PNADX220.pdf ; Treisman, D. 2007. *The Architecture of Government: Rethinking Political Decentralization*. Los Angeles: University of California. p. 5.

15 Erk, J. 2014. 'Federalism and Decentralization in Sub-Saharan Africa: Five Patterns of Evolution'. *Regional & Federal Studies*, 24:5, p. 535–552.

decentralisation was implemented on the ground paint a more complex landscape.

The first dilemma of decentralisation: differential between duties and means

Subnational units of government in virtually every country where decentralisation has been enacted have faced significant challenges regarding their limited autonomy and insufficient resources, further aggravated by poorly designed or implemented decentralisation processes: 'weak institutional capacity of local governments limits the provision of local government services [...] the proper design and implementation of decentralization and local government reforms are often hindered by a variety of technical and political and institutional obstacles'.¹⁶ We identify four patterns.

The first pitfall is when central government lacks genuine commitment to grant decentralised units real autonomy. In Senegal – the first country to create decentralised territorial entities (regions, districts and communes) as early as the 1970s – the central state maintained strong oversight and deprived local governments of competences legally transferred to them. Despite available resources, the real power remained with the government in the capital which appointed civil administrators from the centre to the peripheries.¹⁷ This was only resolved when the state fully committed to empowering decentralised units.

The second limitation is the lack of available resources and human capacity given to decentralised units through either bad design or implementation. In Ethiopia, the constitution grants regional governments wide-ranging powers to run their own affairs and implement their own policies, but with insufficient financial resources to actually do so.¹⁸ Experts point out that the fundamental problem is an unbalanced constitution in which local governments are given much more autonomy than they can effectively administer. For example, some regional administrations did not use the local language in their everyday work until recently because of the lack of trained personnel and resources.¹⁹

It should also be noted that staffing is a major challenge in fragile settings – insecurity outside of the capital discourages people to move and work at local governance levels.²⁰ In Uganda, the 1995 constitution profoundly reshaped the country by creating new local government districts. These subnational units were given a new domain of competences but received little resources. This is a case of bad implementation. The sudden proliferation of new subnational entities created a logjam of government units lacking the proper infrastructure, bureaucracy, trained personnel and requisite financial resources to deliver.²¹ In both Uganda and Ethiopia, the unprecedented pace, size and scope of decentralisation processes explain in part why subnational units had little time to adapt to their newfound competences.

16 Boex, J. and Yilmaz, S. *An Analytical Framework for Assessing Decentralized Local Governance and the Local Public Sector*. IDG Working Paper No. 2010-06. Available at: <https://www.urban.org/sites/default/files/publication/29451/412279-An-Analytical-Framework-for-Assessing-Decentralized-Local-Governance-and-the-Local-Public-Sector.PDF>.

17 Ouedraogo, H.M.G., 2003. 'Decentralisation and local governance: experiences from Francophone West Africa'. *Public Administration and Development*, 23(1), 97–103. p. 99.

18 Aalen, L. 2006. 'Ethnic federalism and self-determination for nationalities in a semi-authoritarian state: the case of Ethiopia'. *International Journal on Minority and Group Rights*, 13, 243–261. p. 248.

19 Fiseha, A. 2012. 'Ethiopia's experiment in accommodating diversity: 20 years' balance sheet'. *Regional & Federal Studies*, 22(4), 435–473. p. 449.

20 Email exchange with Freddy Sahinguvu, Senior Programme Manager at The Hague Academy from local governance.

21 Lewis, J.I. 2014. 'When decentralization leads to recentralization: subnational state transformation in Uganda'. *Regional & Federal Studies*, 24(5), 571–588.

Third, not all subnational units have the same available resources and thus the same governing capacities. Although it brings local governments closer to the people, decentralisation also has the tendency to heighten disparities and it might do so through several mechanisms. In a highly decentralised setting, the fiscal tools at the disposal of central government to engage in redistribution between regions are strongly diminished. Decentralised intergovernmental competition for capital can therefore exacerbate inequalities, as poor regions have little potential to attract capital and rich regions actually draw capital out of poor regions. Within a single country, regions will differ in their political, legislative, administrative, fiscal and intergovernmental capacities depending on the local context, and therefore exhibit unequal results when it comes to newfound competences: ‘the benefits of federal or multilevel institutions depend crucially on the ability of the component parts to carry out their assigned roles and responsibilities’.²²

Such a dynamic is exemplified in South Africa, where wealthy territories like the Cape region make the most of federalism regardless of which party is in power, while poorer ones will simply inherit void policymaking competences they cannot deliver unless they secure support from the dominant ANC (African National Congress).²³ Regional differences therefore play a key role in decentralisation processes. By essence, decentralisation ultimately favours wealthier regions over underserved peripheral ones, which is a self-defeating attribute for a mechanism meant to empower peripheral areas and their populations.

Fourth, poorly designed or implemented decentralisation creates imbalances in the relationship between central state and local governments. On the one hand, the

tendency for subnational governments to act as veto players at national level in fiscally decentralised settings might prevent the implementation by central government of extensive inter-regional redistributive policies.²⁴ On the other hand, underfunded subnational units will look for alternative sources of financing their operations. They often find benefactors within the dominant political parties. When doing so, subnational units quickly become entangled in patronage networks to secure political and financial favours. This leads to a form of opaque and alternative inter-regional equalisation²⁵ creating ‘administrative and financial back doors’ leading back to nationwide politics controlled by the central government²⁶ and a de facto ‘symmetrical recentralisation’ of sorts.²⁷

In Uganda, and to a lesser extent in parts of Ethiopia, for example, subnational units remain in name, although the inner workings of the state have reverted back to a centralised form of governance. Poorly designed or implemented decentralisation eventually eroded the capacity of subnational units to leverage central government in their intergovernmental dealings. While USAID points to political parties as the main spoiling agents of decentralisation in Africa, this is an ad hoc consequence, and the main reason for it is the differential between duties and means through either bad design or bad implementation.²⁸ This highlights the need to match institutional design with the necessary financial resources required to deliver, at the

22 Simeon, R. and Murray, C. 2001. ‘Multi-sphere governance in South Africa: an interim assessment’. *Publius: The Journal of Federalism*, 31(4), 65–92. p. 66.

23 Erk, J. 2014. ‘Federalism and Decentralization in Sub-Saharan Africa: Five Patterns of Evolution’. *Regional & Federal Studies*, 24:5, p. 543.

24 Email exchange with Freddy Sahinguvu, Senior Programme Manager at The Hague Academy from local governance.

25 Erk, J. 2014. ‘Federalism and Decentralization in Sub-Saharan Africa: Five Patterns of Evolution’. *Regional & Federal Studies*, 24:5, p. 543.

26 Fessha, Y. and Kirkby, C. 2008. ‘A critical survey of subnational autonomy in African states’. *Publius: The Journal of Federalism*, 38(2), 248–271. p. 266.

27 Erk, J. 2014. ‘Federalism and Decentralization in Sub-Saharan Africa: Five Patterns of Evolution’. *Regional & Federal Studies*, 24:5, p. 540.

28 USAID. 2010. ‘Comparative Assessment Of Decentralization In Africa: Mozambique In-Country Assessment Report’. USAID. Available at: https://pdf.usaid.gov/pdf_docs/PNADX220.pdf.

risk of doubling budgets and personnel with little to no effect.

The second dilemma of decentralisation: politicising local conflicts and disrupting the status quo

The institutional recognition of ethnic identity accompanied most decentralisation processes in sub-Saharan Africa.²⁹ By institutionalising distinct ethnic or cultural identities, the state recognised, at least implicitly, the intrinsic value of a particular group.³⁰ The formal recognition of ethnic or cultural identities necessarily demands that central government chooses where to draw the line between one identity and another: it poses the ‘dilemma of recognition’.³¹ Reforms may help alleviate tensions and ensure autonomy for one group but it will simultaneously create a new mosaic of dissatisfied minorities.³² The newly created majority may then choose to ignore the interests of minority groups and reject any aspirations, claims or demands for accommodation, recognition or self-determination.³³

In this scenario, decentralisation reshuffles the cards of power dynamics within a region, but it does not solve the problem of accommodation and marginalisation. The very act of recognition disenfranchises

individuals of mixed backgrounds or those who hold identities other than ethnic ones, such as regional, political, ideological or religious identities.³⁴ In Ethiopia, for example, the post-conflict federal state built itself around fixed ethnic identities. By doing so, the country fell into ‘the trap of ethnicising social and community relations, thus often blighting daily relations and creating new oppositions’.³⁵ For de-ethnicised individuals or the children of inter-ethnic marriages, the imposition of ascribed ethnic classification challenges the everyday determinants of identity and citizenship.³⁶

More importantly, decentralisation politicises local conflicts. While age-old competition over land management and access to water or grazing areas have always existed between local communities – especially between farmers and pastoralists – both the recognition of ethnic identities and the endless carving up of the territory into different subnational units have disrupted and added a political character and a national locus to what were originally local conflicts. The creation of new subnational units of government with new competences and unprecedented financial resources completely disrupts local power dynamics. For example, in 1994 Cameroon adopted a new forestry law with financial support from the World Bank. In an attempt to include local communities in the development programme, it transferred some of the management of timber to local communities. As a result, communities with historical claims to the land attacked and expelled those who were not indigenous to the

29 Erk, J. 2014. ‘Federalism and Decentralization in Sub-Saharan Africa: Five Patterns of Evolution’. *Regional & Federal Studies*, 24:5, p. 545.

30 Requejo, F. 1999. ‘Cultural pluralism, nationalism and federalism: a revision of democratic citizenship in plurinational states’. *European Journal of Political Research*, 35(2), 255–286.

31 De Zwart, F. 2005. ‘The Dilemma of Recognition: Administrative Categories and Cultural Diversity’. *Theory and Society*, 35(2), p. 137-139.

32 Decentralisation thereby politicises the very division it aims to manage. Erk, J. 2014. ‘Federalism and Decentralization in Sub-Saharan Africa: Five Patterns of Evolution’. *Regional & Federal Studies*, 24:5, p. 545.

33 Eisenberg, A. and Spinner-Halev, J. (eds). 2005. *Minorities within Minorities: Equality, Rights and Diversity*. Cambridge: Cambridge University Press.

34 Erk, J. 2014. ‘Federalism and Decentralization in Sub-Saharan Africa: Five Patterns of Evolution’. *Regional & Federal Studies*, 24:5, p. 535-552.

35 Abbink, J. 2009. ‘The Ethiopian second republic and the fragile “social contract”’. *Africa Spectrum*, 44(2), 3-28. p. 15.

36 Habtu, A. 2005. ‘Multiethnic federalism in Ethiopia: a study of the secession clause in the constitution’. *Publius: The Journal of Federalism*, 35(2), 313-335. p. 332.

region in an attempt to secure the funds for themselves.³⁷

Local and customary authorities also perceive the control of administrative positions (and their corresponding budgets) as an opportunity to cement the status quo in their favour.³⁸ As such, traditional elites have seized decentralisation processes as an opportunity to combine the legal status they had previously been denied with their customary legitimacy.³⁹ In Benin, the decentralisation reforms introduced in the early 1990s have not lived up to their promises. Decentralisation failed to incorporate more accountability and better governance.⁴⁰ Instead, 'in many places, formal decentralisation programs have worked to augment the social, economic and political capital – including land-related powers – of customary or neo-traditionalist actors within local jurisdictions'.⁴¹ This is problematic for the Sahel because while they play an important role in conflict mediation, customary governance structures are based on exclusionary (pre)colonial hierarchies and fail to include women and youth.⁴²

The third dilemma of decentralisation: which services matter?

The belief that fragility can be resolved through achieving certain outcomes via service delivery is increasingly contested. Large data collection on the impact of service delivery on state legitimacy and fragility in conflict-affected countries, including Uganda and the Democratic Republic of Congo (DRC), showed no relationship between increased access to services and perceptions of government and a weak relationship between increases in satisfaction and perception of government.⁴³ In Uganda, increased satisfaction with health services improved perception of government but this was not the case for other services. In the four other countries, there was no evidence that an increase in satisfaction with services led to improved perceptions of government. The researchers note access to a grievance mechanism appeared to be a better indicator of improvement in perceptions of government, but even this was not always the case (Uganda but not DRC). Rather, the survey found perceptions of government are influenced not just by whether people can access a service, but also by how a service is delivered. In other words, state legitimacy is based on both outcomes and processes.

Subsequent data collection also showed outcomes and process only matter in certain context. Service delivery only became relevant in the construction of legitimacy if they involved contested distribution arrangements.⁴⁴ In Pakistan, the socialist

37 Geschiere, P.L. 2004. 'Ecology, belonging and xenophobia: the 1994 forest law in Cameroon and the issue of "community"'. In: H. Englund and F.B. Nymanjoh (eds). *Rights and the Politics of Recognition in Africa*. London: Zed Books.

38 Molenaar et al. 2019. *The Status Quo Defied: The legitimacy of traditional authorities in Sahel and Libya*. CRU Report, The Hague: Clingendael Institute.

39 Ouedraogo, H.M.G., 2003. 'Decentralisation and local governance: experiences from Francophone West Africa'. *Public Administration and Development*, 23(1), 97-103. p. 101.

40 Bierschenck, T. and De Sardan, J. 2003. 'Powers in the village: rural Benin between democratisation and decentralisation'. *Africa*, 73(2), 145-173. p. 166-167.

41 Boone, C. 2014. *Property and Political Order in Africa: Land Rights and the Structure of Politics*. New York, NY: Cambridge University Press. p. 219.

42 Molenaar et al. 2019. *The Status Quo Defied: The legitimacy of traditional authorities in Sahel and Libya*. CRU Report, The Hague: Clingendael Institute.

43 Nixon, H. and Mallett, R. 2017. *Service Delivery, Public Perceptions and State Legitimacy: Findings from the Secure Livelihoods Research Consortium*. Secure Livelihoods Research Consortium. Available at : <https://securelivelihoods.org/publication/service-delivery-public-perceptions-and-state-legitimacy-findings-from-the-secure-livelihoods-research-consortium/>.

44 McCullough, A. and Papoulidis, J. 2020. *Why we need to rethink our understanding of state legitimacy to address fragility*. World Bank Blogs. Available at: <https://blogs.worldbank.org/dev4peace/why-we-need-rethink-our-understanding-state-legitimacy-address-fragility>.

inspired land reform from the 1970s clashed with the customary land tenure system in the Swat region and caused widespread armed contestation between lower class tenants and landlords. Despite good basic services like free healthcare and education, none mattered for legitimacy and stability. The right to manage land ownership became the only function by which legitimacy was measured.⁴⁵ As such, processes matter to outcomes, but both outcomes and processes do not always matter to reducing fragility.

Why does this matter for the Sahel?

In the case of Mali, the same technical and political challenges can be observed. First, decentralised units suffer from a lack of autonomy, a lack of resources and an unequal distribution of resources. Despite governance being decentralised in principle, for example, central government ministries and agencies retain substantial authority over communal affairs such as health and education. Each service point must be governed by agreements signed between the communes and the appropriate central management structure to allow budget transfer.⁴⁶ But the transferred human resources, budget and management capabilities are not fully aligned with communes' implementation responsibilities. Planning thus remains centralised and lacks precision. Effective aggregation and arbitration is not based on complete information of local needs, and actual allocations are not always communicated to the relevant authorities.⁴⁷

In addition, financial resources transferred from central government to local authorities are often not sufficient to enable them to fulfil the mandates transferred to them. To support the transfer of powers to local

governments, central government had committed to transferring 30 percent of tax revenues to local governments by the end of 2018, but it is still far from achieving this target.⁴⁸ The tax revenues collected by local governments are insufficient to meet the growing expenditure related to the transfer of competences and need to be complemented by fiscal transfers. Local and regional authorities are heavily dependent on transfers from central government to finance their expenditure. Transfers account for over 80 percent of the total revenues of these authorities.⁴⁹

The government's failure to meet its transfer commitment has serious consequences for the performance of local governments and, in turn, service providers. Limited technical and managerial capacity hampers the ability of local governments to manage local development and service delivery, which in turn discourages central governments from transferring financial resources. Technical and administrative institutional capacity is weak due to lack of qualified staff, high staff turnover and low salaries. These factors limit the quality of planning, budgeting and public investment management processes. This creates a vicious circle in which central government is reluctant to transfer additional resources and the lack of resources further aggravates the ability of local and regional authorities to build capacity.

Government resources are also not distributed equitably. The allocation formula used to distribute resources to local and regional authorities aims to ensure equity by taking into account the degree of development of local and regional authorities, but communities with limited administrative infrastructure and/or low population density do not always benefit as expected. Transfers underserve the poorest regions. For example, between 2006 and 2016, Sikasso (Mali's poorest region) received 16 times less funds than Kidal, a politically more important region in the midst of the peace process.⁵⁰

45 Ibid.

46 Ministère de l'Economie et des Finances. 2019. *Projet de développement des ressources de l'état et décentralisation pour l'amélioration des services : Manuel d'exécution et de suivi évaluation du projet.*

47 Ibid.

48 Ibid.

49 Ibid.

50 Ibid.

At the same time, transfers to local authorities fluctuate considerably from one year to the next, thus adding fiscal instability, and are announced six to nine months after the start of the fiscal year to local authorities. This impedes their ability to forecast budgets and plan investments, and diminishes their credibility vis-à-vis service providers and local populations.

Second, decentralisation has boosted local competition and political violence. In Mali, democratisation and fast-paced decentralisation in the 1990s resulted in the introduction of local elected offices (1999).⁵¹ These represented an opportunity for local authorities to gain the upper hand in competition over natural resource management, such as pasture and wells, as well as tax revenue associated with the position. Local elections thus became key arenas where the dominance of local authorities was strengthened or contested – leading local customary elites to become invested in capturing political office to secure their position with additional formal status.⁵² The laudable combination of democracy and decentralisation defied the status quo and constituted fertile ground for political violence. In short, politics causes political

violence, and decentralisation inserted politics at the lowest level possible.⁵³

Lessons for policy makers

It would be misleading to portray decentralisation as a net driver of instability and violence, but it is also imperative to expose the consequences of uninformed and overambitious social engineering projects. Overall, decentralised institutions add to the existing complexity and fluidity of local politics. Lessons learned from sub-Saharan Africa highlight four take-aways for the Sahel.

1. *There is a need to provide genuine autonomy and sufficient and sustained financial and human resources to subnational units*

Decentralisation in the Sahel poses a technical challenge, which is to empower subnational units in countries where central government itself is lacking adequate resources. Fiscal decentralisation prescribes the extent of financial autonomy of subnational units. As such, no amount of administrative decentralisation will matter if resources to deliver do not follow. Local governments must therefore have the financial resources and capacity to carry out their responsibilities, otherwise decentralisation would be without meaning.⁵⁴ Providing sufficient resources will secure social accountability and trust in the process. For fiscal decentralisation to be effective in fragile contexts, there should be capacity to handle the funds at local level and the right accountable institutions, otherwise the process will become counterproductive.

While this is not only the case in fragile contexts, what makes fiscal decentralisation in the Sahel more vulnerable is the

51 Molenaar et al. 2019. *The Status Quo Defied: The legitimacy of traditional authorities in Sahel and Libya*. CRU Report, The Hague: Clingendael Institute.

52 Pobie, A., Chauzal, G., Mariam, M. and Mahamadou, D. 2016. *Lessons from Mali's local elections*, SIPRI. Available at: <https://www.sipri.org/commentary/topical-background/2016/lessons-malis-local-elections> ; Also see Lecocq, B. 2010. *Disputed Desert: Decolonisation, Competing Nationalisms and Tuareg Rebellions in Northern Mali*. Brill. Available at: <https://brill.com/view/title/11408>; and International Crisis Group. 2018. *Drug Trafficking, Violence and Politics in Northern Mali*, Report No. 267/Africa, Dakar/Brussels; At national level, the legislature similarly became an arena where individual MPs (including traditional elites) were able to advance the particular interests of their personal support networks and electoral constituencies. See: Van Vliet, M. 2014. 'Weak legislatures, failing MPs, and the collapse of democracy in Mali'. *African Affairs*, 113(450), 45-66.

53 Schmauder, A. 2020. *Decentralization in Hybrid Governance: the case of northern Mali*. Clingendael Institute.

54 *Sustaining peace at local level* (2018) [Workshop]. The Hague Academy: The Hague. 24 April 2018. Available at: <https://thehagueacademy.com/wp-content/uploads/2018/07/10-Year-Report-Workshop-1-Sustaining-Peace.pdf>.

problem of ownership, accountability and maintenance of public services. Tax systems are often non-transparent and people often do not know who holds the mandate to collect taxes and where or how the money is being used. To respond to these technical challenges, policymakers need to improve clarity on the roles and responsibilities for service delivery; strengthen equitable, predictable and timely resources transferred to local governments and service providers; increase technical and managerial capacity in local governments; increase support mechanisms; and increase accountability and citizen participation in resource management. In that regard, Mali's Project for the Development of State Resources and Decentralisation for the Improvement of Services (PDRED) does just that and its result should be carefully monitored, as it provides best practice guidance.⁵⁵ It is also a five-year project, which is rare enough to celebrate it, as it opens the real possibility of ownership of the project at local level, and does not add further fiscal instability on decentralised structures.

2. *Policy makers should contemplate beyond the formalities of decentralisation*

Decentralisation programming efforts in the Sahel should take into consideration the socio-economic and political landscape that makes collective action such a challenge in the local context. Policymakers need to involve local governments to monitor and reduce conflict and existing fault lines. This should not be seen as a more ambitious nor risky business than purely technical service delivery interventions. While trade-offs between stability and the needs to

address grievances are inevitable due to the risk of a backlash or spoiling parties, similar risks exist in exclusively technical interventions as well. This is necessary to ensure that local democratic governance is built from within.

Lessons learned from Uganda show appropriate channels to convey grievances were more instrumental to reducing fragility than good service delivery. This is especially relevant for Mali and Niger where local non-state institutions like customary governance structures enjoy a great deal of legitimacy and historically act as mediation agents to convey grievances from their local communities to the state.⁵⁶ As it relates to the first recommendation, they can also have an important role to play in improving service delivery. Policy makers need to make strategies more context-specific and attuned not only to donor country priorities but also to the socio-economic and political realities in which local governance is expected to grow. By doing a strong political economy analysis, policymakers could identify specific areas with more social cohesion, well organised Civil Society Organisations (CSOs) and greater accountability mechanisms, stronger local mechanisms for managing conflict, and greater tax base and more dynamic interconnected economies. In short, strategically empowering a set of local units would offer a more strategic and practical way to reduce fragility.

3. *Policy makers should transcend the donor-driven approach by focusing on process rather than outcome*

Under the auspices of the international donor community, decentralisation has been pursued in the last couple of decades as a global mantra, often with more attention given to prescriptive models than political reality.⁵⁷ More creative

55 World Bank. 2020. *Mali: World Bank Supports Decentralization by Scaling Up Resource Deployment and Capacity Development in Local Governments*. [Press release]. Available at: <https://www.worldbank.org/en/news/press-release/2019/05/29/mali-world-bank-supports-decentralization-by-scaling-up-resource-deployment-and-capacity-development-in-local-governments>; Ministère de l'Economie et des Finances. 2019. *Projet de développement des ressources de l'état et décentralisation pour l'amélioration des services : Manuel d'exécution et de suivi évaluation du projet*.

56 Molenaar et al. 2019. *The Status Quo Defied: The Legitimacy of traditional authorities in Sahel and Libya*. CRU Report, The Hague: Clingendael Institute.

57 Hyden, G. 2016. 'The decentralization experience in Africa: beyond donor-driven approaches'. *Africa Review*, 9(1), p. 98-114.

approaches are needed to ensure local governance in the Sahel is fostered in a democratic and bottom-up direction. Donors should therefore provide financial and logistical support in a neutral fashion so that subnational authorities are able to develop and take ownership of the project in a bottom-up fashion without donor and international partners putting certain goals or expected development outcomes on the table beforehand in a paternalistic manner. First examples of this in the Sourou region in Mali confirm this is a best practice that allows for true local ownership and results in the direct empowerment of new governance institutions.⁵⁸ Rather than focus on specific development outcomes, donors' main focus should be to support the decentralisation process, thereby making the process of improving local governance a result with its own intrinsic value. It is not only about what is delivered, but how it is delivered as well, and fair and inclusive delivery is key.

4. *Beyond outcomes and processes*

Lessons learned have shown even good service delivery and fair process does not always mean a more peaceful and less fragile society. Certain services (and outcomes) like healthcare, education or land management only matter in certain context. Focusing on the process of service delivery and people's perception of inclusiveness might not be the most efficient approach. Decentralised service delivery in fragile settings is most salient when it (re)produces contested arrangements.⁵⁹ Policymakers in the Sahel should carefully identify which service delivery sectors are most relevant for legitimacy and fragility, and which are not, so as to focus resources on addressing the contested issues in the delivery of that service. That does not mean getting rid of projects like the PDRED, on the contrary. Funding and strengthening decentralised basic services in the Sahel remains critical and an important first step on which to build on new pathways to inclusive governance.






58 Fransje, M., Sibout, N. 2020. *Improving decentralized natural resource management in the Sahel: The case of the Sourou river plain in Mali*. Clingendael Institute.

59 McCullough, A. and Papoulidis, J. 2020. *Why we need to rethink our understanding of state legitimacy to address fragility*. World Bank Blogs. Available at: <https://blogs.worldbank.org/dev4peace/why-we-need-rethink-our-understanding-state-legitimacy-address-fragility>.

About the Clingendael Institute

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