

Accountability, Transparency and Corruption in Decentralized Governance: A case of Local Government in Sri Lanka

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Abstract: The study examines issues related to accountability, transparency and corruption in the decentralized governance focusing local government authorities in Sri Lanka. The study was conducted based on secondary data. It was found that political and administrative factors both at local and national level influence for increased corruption, poor transparency and accountability in the working of local government authorities, which has resulted in poor participation of local citizens in decision making process and high degree of distrust on the local government authorities. As a result of these issues, positive outcomes of decentralization and good governance have not been achieved through local government authorities.

Keywords: Transparency, Accountability, Corruption, Local government authorities, decentralized governance

Introduction

In its democratic political aspect, decentralization as currently conceived and increasingly practiced in the international development community has two principal components: participation and accountability. Participation is chiefly concerned with increasing the role of citizens in choosing their local leaders and in telling those leaders what to do—in other words, providing inputs into local governance. Accountability constitutes the other side of the process; it is the degree to which local governments have to explain or justify what they have done or failed to do. Improved information about local needs and preferences is one of the theoretical advantages of

decentralization, but there is no guarantee that leaders will actually act on these preferences unless they feel some sort of accountability to citizens. Local elections are the most common and powerful form of accountability (Christine, 2003, Slater, 1994). Transparency refers to openness, access to government information and public participation in the decision making process of the government. In theory these two phenomena should be inversely related, such that more transparency in local governance should mean less scope for corruption, in that dishonest behavior would become more easily detectable, punished and discouraged in future. In Sri Lanka local governance institutions have become less open to public scrutiny and therefore, corruption at all levels has greatly increased. It is to be hoped that the local mechanisms of accountability discussed above will in tandem with greater probity at the national level improve the degree of honesty at all levels, but at best this will take time.

Another type of linkage between transparency and corruption has been noted that while greater transparency in local governance was not accompanied by increased corruption, it did lead to popular perceptions of greater public malfeasance, simply because citizens became more aware of what was going on. This pattern has surely repeated itself in many other locales. Over time, to the extent that accountability mechanisms begin to become effective and corruption begins to decline, the citizenry should appreciate the improvement. The literature on corruption contains several useful definitions. A widely cited definition of 'corruption' is: 'behavior which deviates from the formal duties of a public role because of private-regarding (personal, close family, private

clique) pecuniary or status -gains; or violates rules against the exercise of certain types of private-regarding behavior (Slater, 1994).

In Sri Lanka, Local Government service delivery system is being functioning over hundred years, but it is yet to become the basis for a viable system of decentralized governance. Due to certain problems and challenges, LG authorities could not be able to succeed in its working throughout its history. From 1948 onwards, the local government system has been reformed several times, with a lot of reforms and counter-reforms in the devolution of power to lower levels. However, such reforms were not successful, because they were linked to the desires of national politicians to gain more influence at the local level which prevented the actual outcomes of decentralization.

Local government system is in the existence prior to the independence. But it underwent several reforms and changes since the independence. In 1981, the Tennakoon commission recommended the establishment of District Development Councils and as a result Town Councils and Village Councils were abolished and legislation was enacted for the transfer of their functions to the Development Councils. Consequently a high number of elected representatives of the Town and Village Councils, which represented 85% of the population, lost their political mandates. Another undesirable effect was that there was a double structure created on district level, where the District Administration and the District Development Administration under the DDC were both in charge of development planning at district level (GoSL 1999 & Gunawardena, 2010).

However, District Development Councils were failed in undertaking development works at the local level as expected and it became a weakened institution in addressing livelihoods needs of local people, issues related to democracy, participatory planning, decision making, corruption, development etc (Gunawardena, 2010). The DDCs were discontinued in 1987 and in its place a new entity designated as Pradeshiya Sabha was introduced in addition to Municipal and Urban Council. Since 1987 there are three local government

authorities functioning in Sri Lanka i.e Municipal Council, Urban Council and Pradeshiya Sabha. Due to poor transparency, accountability and corruption, local government authorities are highly ineffective in providing effective, efficient, transparent and accountable public service to the local citizens, which embedded the outcomes of the decentralized governance.

Objectives of the Study

The study intended to examine the factors that influence on less transparency, accountability and corruption in the local government institutions. Also the study paved attention to elucidate the consequences of the corruption of effective, transparent and accountable public service delivery in the local government authorities.

Material and Method

This study was conducted based on secondary data. Particularly, desk study method was employed for this study and collected large amount of data from published and unpublished reports, journals, books and dissertations. Collected data were analysed by using descriptive analysis method.

Results and Discussions

Less accountability and transparency of the local government institutions in Sri Lanka lead to widespread poverty and socioeconomic inequalities, ambivalence towards the legitimacy of government and its organizations and systematic maladministration, provides fertile grounds for corruption, which ... has a deleterious, often devastating effect on administrative performance and economic and political development, for example corroding public confidence, perverting institutions processes and even goals, favouring the privileged and powerful few, and stimulating illegal capital export or use of non-rational criteria in public decisions.

Corruption exists everywhere at the local level. But corruption is especially troubling in effective service delivery. It seems that there are at least two

elements critical to effectively combating corruption; – First, nations must have good, clear laws and regulations that can be easily and reliably enforced. This, in turn, requires courts that are adequately funded and independent of political pressure, as well as honest, well trained and adequately compensated regulators, judges, prosecutors and law enforcement officers; second is to eliminate unnecessary controls on the economy and reduce state involvement in the economy. Reducing both the scope and the administrative discretion of government reduce the potential for corruption. The study found that these strategies were not employed in the local governance in Sri Lanka to achieve transparency and accountability.

“Corruption is very much a social and political issue. An accountable, responsive and honest government is central to a government’s legitimacy and, ultimately, to political and social stability. In order to succeed in the local development, nations must be able to attract private capital to foster growth. There are many dimensions to an environment conducive to attracting private capital. Among these dimensions good governance is highly important to effectively combating corruption. Corruption discourages small business, entrepreneurs, and consumers who simply cannot afford the cost of bribery. It discourages foreign investment. And it damages the respect for law and public and financial institutions, undermines the credibility and effectiveness of both elected and appointed government officials, and creates an environment conducive to crime in the private sector, including organized crime. Through this study it could be identified that local politicians are also influence.

Local government (LG) system should be transparent and accountable in its functions and activities, which is a pre-request for the effective and efficient service delivery of local government (Christine, 2003). In Sri Lanka, LG service delivery system is being functioning over hundred years, but it is yet to become the basis for a viable system of decentralized governance. Namely, due to poor transparency, accountability and corruption, LG authorities could not be able to succeed in its working throughout its history. Although there were some

efforts to enhance transparency and accountability and to eliminate corruption, those are not effective due to administrative and political culture of Sri Lanka. Apart to that national politicians use local government as a tool to attain local political interests through local politicians and public servants. These highly prevent transparency and accountability in the LGAs and induce corruption and mal practices in its working.

The study revealed that there is a weakened mechanism to enhance transparency and accountability in LGAs. Particularly, transparency is achieved when citizens or taxpayers have access to information and decision-making forums, so that the general public knows what is happening and is able to judge whether it is appropriate or not. Vehicles or instruments for enhancing transparency should include legislation that requires public sector decision makers to consult with and report to the public annually on planned activities; enforcement of regulations by officers; and purchasing of inputs through contractual arrangements with internal staff or the private sector. This legislation could include the annual publication of local public sector performance measures, thus providing local citizens within formation for making efficiency and effectiveness comparisons. All this effort is intended to mitigate the risk of corruption by making information statutorily available and by ensuring that all public policy decisions are made in an open and transparent manner.

The study found that, lack of supervision and monitoring by the Provincial Council as one of the reasons for lack of transparency and accountability in financial management in the local government authorities (LGAs). As the supervision is only based on certain criteria, many irregularities and short-comings are not discovered. Staff recruitment for local government institutions take place based on personal or political favoritism. This system of patronage allows unqualified and thugs to hold honorable positions in the LGAs. Political patronage also seems to be a common feature when it comes to the resource allocation. Lack of transparency and accountability in resource allocation, resource allocation based on political patronage instead of need orientated criteria,

channel funds and resources to their vote bases during election, negligence of other people and communities from government funds and development programs, raise funds through political patronage were major criticisms exist against LGAs. Some local government representatives proudly mentioned in our interviews that they have good access to political patronage from Colombo, even using the expression “political patronage” with a positive connotation.

Furthermore, lack of transparency and accountability during election period, candidates spend bulk amount of own money for the election and recover it through government fund after winning the position, lack of opportunity for economically inactive people to contest in election, compensate supporters by giving jobs, contracts, salaries, non-transparent procedures and cheating during elections are not transparent for the people. One major issue seems to be the incorrect dissemination of voter cards and the attempt to minimize the numbers of voters of specific communities, non-transparent in coalition – bargaining, non –reflection of people will and votes in positions distribution were also important issues criticized by the public with regard to transparency.

The study found that there is oblivious distrust in relation to accountability in the service delivery of LGAs. In the provision of local public sector services, accountability is achieved when the customer or taxpayer is able to identify who is responsible for what and is able to link the governing unit responsible for the service directly to its funding. Where there is only one governing unit, taxpayers know who is responsible for what and who to contact if they wish to have an impact on decision making. Where there are a number of local governing units responsible for a diverse range of services, customers or taxpayers may become confused and not know who is responsible for what and how to have an impact on decision makers.

The study found that there is an ineffective mechanism of internal auditing in LGAs. Task of Internal Auditing is currently carried out by an internal auditor or Management Assistants or Program Assistants and there is no independent auditing system to undertake this task and those who undertake this

auditing task also do not have ample experience. There are political and party affiliations in the internal auditing, which has resulted increased corruptions and briberies in service delivery and working.

Accountability comes in two dimensions: that of government workers to elected officials; and that of the latter to the citizens who elect them. The first type can prove difficult to achieve, for civil servants, particularly professionals in such fields as health, education, agriculture --the very sectors that are most often decentralized-- often have considerable incentive to evade control by locally elected officials. Given all these reasons both good and bad for opposition, it is scarcely surprising that decentralization initiatives so often run into heavy bureaucratic resistance, and designers find themselves pressured to keep significant linkages between the field and the central ministries, especially concerning such issues as postings, promotions, and salaries. Needless to say, such ties tend to undercut the capacity of elected officials to supervise government servants supposedly working for them.

The second type of accountability is that of elected officials to the citizenry. Elections (provided they are free and fair) provide the most obvious accountability, but this is a rather blunt tool, exercised only at widespread intervals and offering only the broadest citizen control over government. Voters can retain or reject their governors, a decision that can certainly have salutary effects on governance, but these acts are summary judgments, generally not reactions to particular acts or omissions. And when local elections do revolve around a given issue, such as schools, they necessarily leave everything else out of the picture. Citizens need more discriminating instruments to enforce accountability in LGAs. Fortunately, a number of these are available, but in practice these are far below from the satisfaction.

Indeed, Political parties can be a powerful tool for accountability when they are established and vigorous at the local level, as in many Latin American countries. They have a built-in incentive to uncover and publicize wrongdoing by the party in power and to present continuously an alternative set of public policies to the voters. But, in practice in Sri Lanka

politicians plays a significant role in promoting less accountability. Therefore, actual role of political parties have not been taking place. In general Civil society and its precursor social capital enable citizens to articulate their reaction to local government and to lobby officials to be responsive. These representations generally come through NGOs (though spontaneous protests can also be considered civil society), which, like political parties, often have parent organizations at the provincial or national level. Owing to numerous splits and weaknesses in Sri Lankan civil society has failed to play effective role in lobbying and advocating to promote accountability and transparency in the LGAs.

If citizens are to hold their government accountable, they must be able to find out what it is doing. At the immediate neighborhood level, word of mouth is perhaps sufficient to transmit such information, but at any higher level some form of media becomes essential. In some countries, print media can perform this function, but in Sri Lanka generally their coverage is minimal outside larger population centers. Public meetings can be an effective mechanism for encouraging citizens to express their views and obliging public officials to answer them. In some settings, such meetings may be little more than briefing sessions, but in others they can be effective in getting public officials to defend their actions.

Formal redress procedures should be included as an accountability mechanism in some decentralization initiatives. Bolivia probably has the most elaborate instrument along these lines with its municipal Vigilance Committees that are based on traditional local social structures and are charged with monitoring elected councils, encouraged to file actionable complaints with higher levels if needed. Such mechanisms should be adopted in Sri Lanka in order to ensure accountability and transparency in the LGAs. A recent USAID assessment of democratic local governance in six countries found that each country employed a different mix of these mechanisms, while no country had employed them all. No one instrument proved effective in all six settings, but various combinations offered considerable promise. Some may be able to substitute at least in part for others when

weak or absent. Civil society and the media, for example, might together be able to make up for a feeble party system at the local level. The study proves that there are no specific mechanisms to enhance transparency and accountability in LGAs, therefore which embedded with a number of flaws in its working.

Conclusion

In Sri Lanka, the democratic local governance initiatives should promise for developing effective systems of public accountability that will ensure that government servants are responsible to elected officials, and that the latter are in turn responsible to the public that elected them in the first place. In the process these systems of accountability should increase the pressure for more transparent local governance, in which corruption will be easier to bring to light and thus to curtail. On the other hand, elected people representatives should be responsible and accountable to public. These both will greatly support to eliminate corruption and promote accountability and transparency in the LGAs.

It could be concluded that, a number of political, economic and social factors have been negatively affected transparency, accountability and corruption on the working of LGAs, which has created distrust among service seekers and voters. Likewise, no considerable change has occurred to enhance the transparency and accountability through the new strategies like Citizen Charter, e-Governance etc. These are not practiced to ensure good governance in the working of LGAs. Owing to lack of public participation, public have lost opportunity in involving in decision making of LGAs, therefore, public lost confidence in LGA's service delivery. The findings of the study would help to ensure and promote transparency and accountability in the LGAs and also useful to create awareness on the importance of Transparency and accountability in the service delivery of LGAs. It is worth to mention here that on the occasion of the adoption of the UN Convention against Corruption in October 2003, Secretary General, Kofi Annan stated: "Corruption is an insidious plague that has a wide range of corrosive effects on societies. It

undermines democracy and the rule of law, transparency, accountability, leads to violations of human rights, distorts markets, erodes the quality of life and allows organized crime, terrorism and other threats to human security to. Therefore, national and international laws should be implemented in an effective manner to eliminate corruption and thereby promote accountability and transparency in the local government authorities.

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