

Decentralized LG Policy for Bangladesh A Proposed Framework

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Abstract: It is widely recognized that unless we do have an aggregated or national decentralized local governance policy, we will not have a vision and road map for local governance development in the country. Thus, this social input -proposed national decentralized local governance policy for Bangladesh - is crafted for consideration of the Local Government Division (LGD), Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C), Government of the People's Republic of Bangladesh. The proposed decentralized local governance policy envisions placing democratic decentralization along with the fiscal autonomy and local administrative reforms in an attempt to develop political capacity of local citizens for demanding accountability and engaging local authorities towards Millennium Development Goals (MDGs) and economic advancement of the rural areas.

Even the proposed policy is trendy of its kind with crafting vision, mission, goal, objectives and principles, designing structural, functional and legal frameworks, and addressing key issues and concerns, it would just be a paper work if it does not go with a strong advocacy strategy to finalize as well as to implement the policy. Given this reality, the full study report would focus on policy advocacy as well as implementation strategy.

Introduction

The Context and Purpose

The absence of a local governance policy is supposed to be a prioritized governance problem in Bangladesh, which affects effective implementation of current round decentralization theory i.e. democratic decentralization in line with the fiscal autonomy and local administrative reforms. The absence of the avowed policy also affects inherent and institutional linkages of the local government bodies. In some cases

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overlapping of functions are evidenced in different LG institutions, while in other cases lack of coordination and inter-cooperation are missing. More importantly, unless we do have an aggregated or national decentralized local governance policy, we will not have a vision and road map for the local governance development in the country.

Despite the fact that we have a local government friendly constitution¹ and separate Act or law for every local government unit, the nonexistence of the stated policy allows the Acts to run the local government institutions with separate identity without unique vision, mission, goal, objectives and road map for sustainable development of the local governance in Bangladesh.

Thus, as part of Management Research Report (MRR) of MDM program at Asian Institute of Management (AIM), Manila, a proposed national decentralized local governance policy framework for Bangladesh is developed, which is, indeed, a proposed policy for consideration of the Local Government Division (LGD), Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C), Government of the People's Republic of Bangladesh. Importantly, the AIM study would widen to fit an advocacy strategy for the final policy to be initiated, adopted and/or adapted by the LGD followed by the approval of the Cabinet. The study also recognizes that the implementation of the policy would require a sound implementation strategy, and thus it would incorporate a tailor-made draft implementation strategy for the proposed policy to be implemented by the LGD, concerned line ministries, departments and agencies under the guidance of the proposed National Local Government Commission in this policy framework. The policy advocacy as well implementation strategy, however, is not the part of this working paper. The full study report would focus on policy advocacy as well as implementation strategy.

Theoretical Perspective

In general sense, decentralization is the process of transferring power from national government to its agency, private institution, regional and local government. Though traditionally there are four forms of decentralization (i.e. deconcentration, delegation, devolution and

¹ Please see Article 11, 59 and 60 of the Constitution of the People's Republic of Bangladesh.

privatization),² most of the thinkers, for example, Mawhood, Uphoff, Rondinelli and Cheema pertinently emphasize on devolutionary decentralization which resulted in democratic decentralization.³

A full-fledged democratic decentralization not only creates environment for wider participation, social inclusiveness and for citizens to demand accountability of local authority, but also generates a sense of transparency and accountability of the country's political system and government.

The current decentralization literature recognizes the importance of the central state in bringing about this higher standard of decentralization and so demands from central governments sophisticated coordination and oversight as well as the willingness to allow autonomy (especially fiscal autonomy) and democratic participation at the local level (Crook, 2003; Olowu, 2003; Dauda, 2006). In turn, local Government institutions must show a certain worthiness of autonomy by providing an innovative, transparent and accountable administration along with a participatory political process geared in alleviating marginalization and poverty (Dauda, 2006).

In fact, the emphasis on decentralization began with the broadening of the concept of development beyond economic growth to include growth-with-equity and fulfillment of basic needs of the poorer sections of the community. This entails wider participation in the economic, social and political processes and structures that enables the poor to help themselves in increasing their productivity and incomes. It is also believed that decentralization is a more efficient way of meeting local needs (Alam et al., 1994 cited in Hussain, 2010). And Rondinelli (1981) puts forward two

² The use of the term 'decentralization' varies depending on its different modes, but the most commonly used are, deconcentration that means redistribution of administrative responsibilities within the central government, that is to be decentralized units of central government; delegation indicating delegation of decision-making and management authority for specific functions to semi-autonomous or parastatal organizations outside the normal bureaucratic structure of central government; devolution meaning transfer of authority to autonomous and independent units of local governments with corporate status (often with supervisory power and financial role retained by the central government); and privatization that encompasses transfer of functions from government to non-government organizations (Rondinelli and Chema, 1983 cited in Hussain, 2010).

For details please see Begum et al., 1998; Mawhood P., 1985; Rahman M.H., 1989; Rondinelli D.A., Cheema G.S. (eds.), 1985.

major arguments for encouraging decentralization. Firstly, decentralization is necessary to accelerate the pace and the spread of the benefits of growth, integrate diverse regions and use the scarce resources more efficiently to promote development in poverty stricken or economically backward areas. Secondly, poorest groups are to obtain a larger share of government services and means must be found to decentralize public service delivery and involve the beneficiaries in planning and decision making at local level.

Furthermore, in a world of rampant ethnic conflicts and separatist movements, decentralization is also regarded as a way of diffusing social and political tensions and ensuring local cultural and political economy (Bardhan, 2002). Moreover, decentralization is considered a means to achieve good governance in terms of a high level of public participation, accountability of public officials and low corruption, which is a crucial condition for poverty alleviation (Steiner, 2007).

It is gratifying to see that researchers are recognizing that decentralization takes place within a particular political context and, therefore evolves differently in each country (Smoke, 2003); yet, the requirements still set uniformly high standards (Dauda, 2006). Importantly, Bangladesh is stepping ahead to the latest form of decentralization - democratic decentralization - but the basic challenge here is formulation of a decentralized local governance policy. Anecdotal evidence, participant observation and past experience as well as studies (for example, Talukdar, 2009) support that the absence of the policy results in the unstable local government structure as well as the frequent changing pattern of the local governance power dynamics, weakens the inherent institutional linkages between and/or among the local government units. The policy absence also allows the local government bodies to govern these institutions without a definite vision as well as road map for the development of local governance in the country.

Nevertheless, a more balanced and nuanced view of democratic decentralization, and integrated perspective on how to approach it in Bangladesh is probable to emerge with the support of this study and policy framework. Specifically, the study is likely to discover success factors and barriers for positive outcomes of democratic decentralization as well as its considerable ways for overcoming limitations to the

Bangladesh context⁴ to get the development encountered through local governance.

Specific Objectives

There are four specific objectives of the study:

- i. An analysis on strengths and weaknesses of the Local Government Division⁵ for the policy design and implementation overseeing, and opportunities and threats of external environment⁶ for identifying expected outcomes and challenges of the policy implementation.
- ii. Stakeholder as well as Force field analysis for understanding the set of connections of the forces for and against the proposed policy so as to craft the policy advocacy strategy in a right way.
- iii. Development of a national decentralized local governance policy framework for Bangladesh.
- iv. Tailoring a proposed policy implementation strategy (which is, however, not the part of this article)

Study Methodology

This is a qualitative as well as explorative⁶ study by nature. It allows in-depth interview of key stakeholders including chiefs of local government institutions, local government officials and senior officials of the Local Government Division, and Ministry of Chittagong Hill Tracts Affairs, discussion with experts, practitioners and a legislator. The study also follows review of published materials, project documents, staff memoranda, and judicious using of participant observation and past

⁴ Here in its local government, the Upazila Parishad and Zila Parishad are facing a transition period although there is a probability that the stalemate of their evolution would somewhat be over by amending some controversial aspects of laws, and by absolutely functioning new local government Acts with swiftly issuing subsequent rules and regulations, and by conducting Zila Parishad election soon. These prescriptions, however, are unlikely to work sustainably unless the focus shifts to the holistic approach with the system perspective that calls for a decentralized local governance policy.

⁵ Here external environment denotes the society as a whole in general and local government institutions in particular.

⁶ See Booth, Colomb and Williams, 2003; Rugg and Petre, 2006; Dawson, 2002.

professional as well as consultancy experience. As such, the study anchors Focused Synthesis Method⁷ and Participant Observation Method⁸. It also involves other supportive study techniques like SWOT Analysis⁹ and Force-field Analysis.

SWOT Analysis

The Environmental or SWOT Analysis has two aspects. The First one deals with the Internal Analysis that includes analyzing the strengths and weaknesses of the proponent agent - Local Government Division, Ministry of Local Government, Rural Development and Cooperatives, Government of the People's Republic of Bangladesh. The Second one is External Analysis that focuses on the opportunities and threats analysis of external environment.

Figure 1: SWOT Diagram

Internal and External Analysis	Helpful to achieving the objective	Harmful to achieving the objective
Internal Origin attributes of the organization <i>Local Government Division</i>	S Strengths	W Weaknesses
External Origin attributes of the environment <i>Country context and social, political as well as local government institutional perspective</i>	O Opportunities	T Threats

Source: Adapted from PCARRD, 2010

⁷ Focused Synthesis allows collecting and documenting information as well as data from a range of sources as diverse literature review, researchers' personal experience, web and media evidence, legislative hearing, court verdict, staff memorandum, unpublished project or study document, anecdotal evidence and story, citation or discussion with experts, practitioners and stakeholders (Talukdar 2012 and 2013a).

⁸ Such research involves a range of well-defined, though variable techniques: informal interviews, direct observation, participation in the life of the group, collective discussions, analyses of personal documents produced within the group, self-analysis, results from activities undertaken off or online, and life-histories (DeWalt, DeWalt and Wayland, 1998).

⁹ Strengths and weaknesses analysis of internal environment and opportunities and threats analysis of external environment.

Internal Analysis

Given the analysis of mission and functions of LGD and in-depth interview of a number of its senior officials as well as elected chiefs of local government institutions and discussion with experts, the following strengths and weaknesses of LGD, particularly regarding its aptitude towards decentralized local governance policy initiation, adoption and adaptation and/or policy implementation are noted hereunder:

Strengths

- LGD has a strong organogram with a number of qualified senior officials and it is one of the oldest divisions under one of the oldest ministries. It is under the Ministry of Local Government, Rural Development and Cooperatives, which is a strong ministry under the stewardship of a Minister and a State Minister. Importantly, its Minister is the Secretary of the ruling party.
- Plenty of Evidence, for instance, from management of Local Governance Support Project-Learning and Innovation Component, and Upazila Governance Support Project, support that LGD has outstanding project management and overseeing ability. It has adequate amount of resource allocation and sufficient number of development projects, and apparently seems that it has relatively less corruption practices.
- This Division drafted all of the exiting local government Acts/laws¹⁰ that are trendy of these kinds except some substantive constraints. It has also proven records of initiating and developing concerned rules, regulations and circulars."
- More importantly, experts believe that it has enough policy initiation and adoption ability. The reason why it is yet to initiate a decentralized local governance policy is that this is subject to a substantive political decision of the national government. Unless

¹⁰ The Local Government (City Corporation) Act, 2009; The Local Government (City Corporation) (Amendment) Act, 2011; The Local Government (Pourashava) Act, 2009; The Local Government (Union Parishad) Act, 2009; The Upazila Parishad Act, 1998; The Upazila Parishad (Reintroduction of the Repealed Act and Amendment) Act, 2009; The Upazila Parishad (Amendment) Act, 2011; The Local Government (Union Parishad) (Amendment) Act, 2010; Village Court Act, 2006; The Zila Parishad Act, 2000; Chittagong Hill Regionnal Council Act, 1998; Rangamati Hill District Council Act, 1989; Khagrachori Hill District Council Act, 1989; Bandarban Hill District Council Act, (1989).

¹¹ Most of the old local government rules and regulations were drafted and/or issued by this Division. And it is currently on progress of drafting all rules and regulations under the Acts/laws passed on or after 2009.

the government provides LGD with green signal to do so, it cannot do anything regarding this policy, and that is why this proposed policy requires a strong advocacy strategy.

Weaknesses

- This Study supports that it has inability to manage and disburse ADP and other project grants in time. Participant observation supports that LGSP and LGSP-LIC grants, for instance, would have not been disbursed in time. And in some years' last fiscal quarterly installment was used to being disbursed almost nearly the national budget initiation time, which would get serious concern of the local government institutions as the expenditures were subject to adjustment before the end of the fiscal year. Therefore, the stated quarter fund might be misused and/or utilized in improper schemes.
- Participant observation supports that its MIS is yet to be full-fledged and website is not being updated in time.¹²
- Participant observation also supports that its out-reach and communication system is yet to be ICT based in satisfactory level in practice, in spite of the fact that the lowest unit of the rural local government institutions (i.e. the Union Parishad) holds the Union Information and Service Centre with well equipped ICTs and services.
- This Study also supports that many of its senior officials have some political bias in favor of the ruling party. Thus, despite the fact that it has ability to discharge its obliged duty of initiating and designing the relevant policies, it is inactive here with the issue of national decentralized local governance policy since it is a politically sensitive decision. Once again, unless the political wing of the government is willing to put forward the issue to the agenda of LGD, it will not be doable.
- After the policy approval, the major concern would be how to implement the policy. And regarding the likely policy implantation, research notices that LGD does not have enough capability at this moment. As such, the proposed policy implementation strategy may focus on its competency building as well.

¹² See the website www.lgd.gov.bd

External Analysis

Country Context

The constitution, formulated immediately after the independence, equally lauded for democracy and decentralized local government system in Bangladesh. None of these aspects of the constitution has, however, reached into sustainable standard over the span of the periods. Even though strengthening local government institutions is imperative here, it has been straining for years just at academic works, political debates, election manifestos, and at reform objectives and talk shows.

Study¹³ identifies that in spite of a long heritage of the Local Government in Bangladesh, until recent development, decentralization herein was hardly considered a pragmatic means to achieve good governance. Moreover, changing pattern as well as power dynamics of the local government structure is a severe challenge for the development of a pro-poor local governance system in Bangladesh.

Local Government Institutional Analysis

The underneath structure of the Government of the People's Republic of Bangladesh is tailored concerning to the precedence based on the spirit of the Constitution of the People's Republic of Bangladesh:

Table 1: Government of the People's Republic of Bangladesh

Executive Body	Legislative Body	Judicial Body
President	National Parliament ¹⁵	Supreme Court ¹⁶
Prime Minister and Cabinet ¹⁴	-	Lower Court
Department of Defense Services	-	Administrative Tribunal
Attorney General	-	
Local Government ¹⁷		

Source: Talukdar, 2009

¹³ Through in-depth interview of elected representatives and public officials of local government institutions, senior officials of the Local Government Division and Ministry of Chittagong Hill Tract Affairs, and discussion with experts, practitioners and a legislator, and participant observation as well as past professional and consultancy experience.

¹⁴ As we hold a unitary as well as the parliamentary form of government, herein reality is that the Prime Minister is the kingpin of the Government, and the President holds just an ornamental position.

¹⁵ There are 300 elected members and 50 nominated women members.

¹⁶ Consist of Appellate and High Court Divisions.

¹⁷ Three-type rural local government institutions (i.e. Zila Parishad, Upazila Parishad and Union Parishad), two-type special local government institutions (i.e. Chittagong Hill Regional Council and Chittagong Hill District Council), and two-type urban local government institutions (i.e. City Corporation and Municipality) excluding the cantonment board.

Importantly, two ministries coordinate with the local government institutions: One is for rural and urban local government institutions, and another is for special local government institutions at Chittagong hill area. Table 2 shows which one is responsible for what.

Table 2: Ministries Responsible for the Coordination of LG Institutions

Ministry of Chittagong Hill Tracts Affairs	Ministry of Local Government, Rural Development and Cooperatives <i>Local Government Division</i>	
<i>Special Local Government</i>	<i>Rural Local Government</i>	<i>Urban Local Government</i>
Chittagong Hill Regional Council(1)		
Chittagong Hill District Councils (3)	Zilla Parishad (64-3) = 61	City Corporation (10)
Traditional Raja (3) and Mouza Based Headman -karbari (472) System		
Upazila Parishad (25)	Upazila Parishad (482-25)+ 9 New = 466	Municipality (398-3) = 395
Municipality (3)		
Union Parishad (118)	Union Parishad (4498-118) = 4380	Cantonment Board (One in Every Cantonment Area)
Notes: There is legal debate whether Chittagong Hill Regional Council is to be considered as local government unit/institution or not. Upazila Parishads, Municipalities and Union Parishads at Hill areas functionally do not have link with Ministry of Chittagong Hill Tracts Affairs, and have direct linked with Local Government Division. And literarily, Cantonment Boards are not considered as a Local Government institutions.		

Source: Talukdar, 2013

In fact, local government in Bangladesh, especially its rural local government institutions, is passing a transition period. There are understanding gaps between the elected local government bodies and the legislators, and political elites and civil society proponents. There is also a shadow stress between the local bureaucracy and elected representatives.

However, to surmount this transition and to bridge the gaps both from the viewpoints of structural decentralization and institutional democratization, meticulous intellectual contributions, particularly forming a robust decentralized local governance policy¹⁸ and strategy for consideration of the Local Government Division, are sturdily essential, while the SWOT Analysis would help here understand policy perspective (as summarized at Table 3).

¹⁸ A number of recent studies suggest that the outcome of decentralization policies crucially depends on the extent to which central management is replaced by democratic institutions ensuring that the community can exercise control over government affairs at the local level (Eckardt, 2008).

Table 3: SWOT Perspective to the Policy Design

Local Government Division	Internal Environment	Strengths ◆◆◆◆◆	Weakness ◆◆◆◆◆
	External Environment	Opportunities ◆◆◆◆◆	Threats ◆◆
Country context as well as local government institutional			

The Table 3 shows the opportunities of external environment prevail over the threats, whereas weaknesses of internal environment outweigh the strengths. Thus, the proposed policy and its advocacy as well as implantation strategy would be design based on the perspective of opportunities of the external environment and weaknesses of internal environment.

Force-Field Analysis

Force-field Analysis follows the SWOT Analysis and discussion with stakeholders, experts, practitioners and policy makers. It is a useful technique for looking at all the forces for and against a plan. It helps one weigh the importance up these factors and decide whether a plan is worth implementing. In effect, Force-field Analysis helps frame a policy strategically and design its advocacy as well as implementation strategy carefully.

Table 4: Force-field Matrix

Forces for Change or Development (1-5)		Plan of Action	Forces against Change or Development (1-5)	
4	Local Government Institutions	Development of a proposed decentralized local governance policy for Bangladesh, and then tailoring a policy advocacy strategy and a policy implementation strategy	Legislators	3.5
4	Donors as well as Development Partners		Government	3.5
3.5	Civil Society Organizations		Local Government Division	3
3	Peoples/Citizens		Main Opposition Political Party and its Alliance	1.5
3	Media		Local Bureaucrats	1
2	Experts and/or Academics	Forces for – Forces against= 23.5-12.5=11 So forces for outweigh the forces against, and as such aforementioned plan of Action is justified		
1.5	Legislators			
1.5	Small Political Parties			
1	Development Practitioners			
		Prime Minister (Neutral Force)		
23.5	Total	(+/-) 5	Total	12.5

Figure 2: Force-field Column Chart

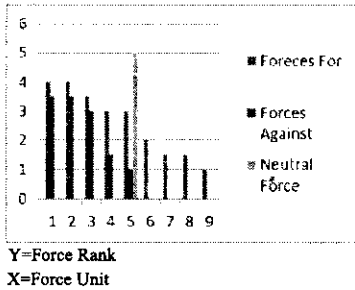
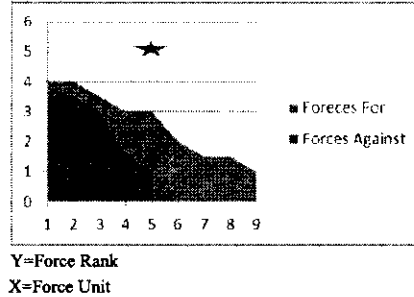


Figure 3: Force-field Area Chart



The main forces for are local government institutions, development partners, civil society organizations, citizens, media, local governance experts and some small political parties, while key forces against are legislators, government, Local Government Division and even main opposition political party.¹⁹ The research also observes that there are a few number of legislators who are in favor of strengthening local government system, and thus they acknowledge the importance and essence of decentralized local governance policy here for Bangladesh. It is true for the Local Government Division officials as well, but at the force field figure, study does not document it, as these officials are not officially extending their support, given the context that they are loyal to the government intention.

Notwithstanding neither the Local Government Division nor the government holds strong negative influence, but the resources at their disposal are very high. Importantly, the media observation and past participant experience, particularly with UNDP, allow the study to document the Prime Minister's, and Local Government, Rural Development and Cooperatives Minister's attitude towards local governance.

The former one has strong personal positive mind-set for strengthening local government system and so to the improvement of pro-poor local governance, but officially she is neutral, while the concerned Minister holds vigilant attitude that allow him to stress back to the concern of history of decentralization in Bangladesh. In fact, historical evidence

¹⁹ Although Local Government Division is a part of the government, the study puts it here separately because the former is particularly responsible for this policy initiation, while the government is a holistic mechanism where Prime Minister as well as Cabinet is the main concern.

supports that during the autocratic regimes there were strong emphases on decentralized local governance system, but those were intentional decentralization, intended to sabotage the democracy at the central government. Substantiations of that type of artificial decentralization make him a bit worried to fortify the democratic decentralization. His individual belief, in fact, goes with Davey (2003) who points out that extent of local discretion would be a matter of balance between national and local interests. Neither central control nor local autonomy should have unchallenged priority.

Importantly, research notices that the Prime Minister and the concerned Minister for the local government are two powerful forces for the decision whether proposed decentralized local governance policy would be adopted or adapted so as to proceed to the Cabinet for approval. Even if the Prime Minister would alone get convinced with advocacy movement for the proposed policy, and thus she holds official stand to go with this policy with adoption and/or adaptation, in the context Bangladesh political culture, the advocacy movement would succeed.

The result of these two-dimensional forces (i.e. forces for and against), however, allows the Local Government Division to move steadily toward paradigm shifting to the development of local government system and local governance practices. The avowed movement is evidenced to the performance of developing and/or modifying all Acts/ laws concerning the local governance, and of conducting local government elections.²⁰ Given this analysis, it is to acknowledge that this is the time for mitigating the academic and/or policy bankruptcy for the development of a robust local government as well as local governance system in Bangladesh. Thus, developing this proposed national decentralized local governance policy followed by policy advocacy strategy and implementation strategy is significant to the context of Bangladesh.

Decentralized Local Governance Policy Framework

Following the SWOT as well as Force-field Analysis and taking into account the International Guidelines on Decentralization and the Strengthening of Local Authorities²¹ along with the Constitution of the People's Republic of Bangladesh,²² local government Acts/laws in

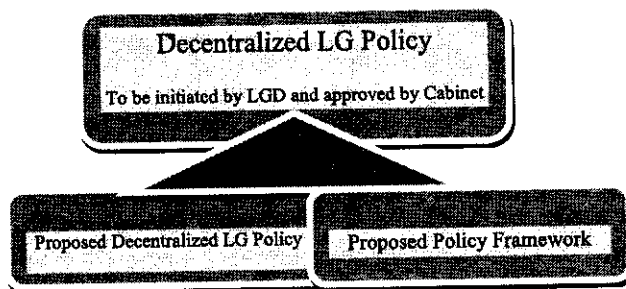
²⁰ Despite the fact that Zila Parishad election is yet to held

²¹ See UN-HABITAT, 2007

²² See Articles 11, 59 and 60 of the Constitution of the People's Republic of Bangladesh.

Bangladesh and GAF²³ proposed Decentralization Policy in Bangladesh, the present Proposed Decentralized Local Governance Policy for Bangladesh,²⁴ has, after a couple of months of research,²⁵ been tailor-made. Figure 4 shows the how decentralized local governance policy would be crafted.

Figure 4: Crafting decentralized local governance policy



Proposed Policy

Vision

The vision is to develop robust local governance and pro-poor local development system outfitted with structural decentralization and institutional democratization through politically, fiscally and administratively decentralized local government institutions in pursuance of the constitutional commitment and the international guidelines on decentralization.²⁶

²³ Governance Advocacy Forum (GAF) is a renowned platform operating at national level that aims to promote democratic decentralization, strong local government and governance through policy advocacy (see <http://www.gafbd.org/html/aboutus.asp?st=1>).

²⁴ GAF proposed Decentralization Policy in Bangladesh was drafted by Professor Akhter Hussain, Department of Public Administration, Dhaka University, in 2010.

²⁵ The methods and/or techniques of research applied here are in-depth interview of a number of senior officials of the Local Government Division, and Ministry of Chittagong Hill Tract Affairs, and Public Officials and Elected Chiefs of local government institutions, and also discussion with experts, practitioners and a legislator, and participant observation along with social and mass-media observation, and review of constitution, local government Acts/laws, rules and regulations, and international guidelines on decentralization.

²⁶ International guidelines on decentralization and the strengthening of local authorities, UN-HABITAT (2007), envisions serving as a catalyst for policy and institutional reforms at the national level to further enable and empower local authorities.

Mission

To develop a fully decentralized local government system at all spheres of the local government units so as to ensure a full-fledged deliberate democracy and good local governance through citizen engagement, inclusiveness and empowerment, and through ensuring down-ward, horizontal and vertical accountability and maintaining a robust institutional linkage between national government and local government and among the local government institutions.

Goal

To guarantee that this decentralized local governance policy will be translated fully in laws, rules, regulations and practices by 2018, and to ensure that the public services delivery will be made available with fully decentralized approaches so as to meet the civic satisfaction and needs without irrational system loss or corruption practices by 2020.

Overall and Specific Objectives

The overall objective of the policy is to facilitate political, economic, social, administrative and developmental empowerment of local citizens to attain the rights to development and public services, access to the knowledge and information, ability to the decent standard of living, and affordability to long, healthy and secure life.

The specific objectives of the policy are to:

- (i) ensure a full-fledged political, fiscal and administrative decentralization;
- (ii) strengthen accountability and transparency of the decentralized system by making local leaders and service providers directly accountable to the communities they serve through citizen inclusiveness and empowerment with the engagement in decision making, planning, budgeting, implementation and follow up actions (Adapted from GAF proposed policy, 2010);
- (iii) enhance the sensitivity and responsiveness of government agencies to the local needs by placing the planning, financing, management, and control of service provision at the point where services are provided, and by enhancing capacities of local institutions so that they are able to take into consideration the local environment and needs (Ibid); and

- (iv) develop sustainable development planning and management capacity of local government institutions that will serve as the driving force for planning, mobilization, and implementation of social, ecological, political, and economic development of the community and thus of the country (Ibid).

Principles

The basic principles of this policy are as following:

Unity of Diversity: Ensuring that national unity is met with local autonomy, identity, interests and diversity.

Balanced Decentralization: Making certain that a nuanced move towards a balanced political, fiscal and administrative decentralization for the local governance and development is going on, but the democratic decentralization is subject to be met immediately in all local government institutions.

Equitable Distribution: Ensuring that reasonable distribution of reserved, transferred and residual functions and services between the national and local government, and between the local government institutions is customized and similarly equitable distribution of revenue collected from the local level by the national government is tailored between the levels of government as stated above. As such, financial equalization, both vertical (i.e. between state and local authorities) and horizontal (i.e. among local authorities) level would sensibly be ensured.

Material, Financial and Human Resources: Ensuring that the material, financial and human resources of local government institutions are commensurate with their tasks and responsibilities, and the institutions are allowed to determine and appoint their own internal administrative structure with their own resources, in addition to the transferred departments, so as to adapt with local needs and to ensure effective management. Moreover, ensuring that they have access to a broad variety of local financial resources including incurring taxes, levies and service charges provided by the government tax schedule for the particular local government unit, and inter governmental transfers along with development project assistance. Further to these, local government institutions should, within the legislation (i.e. Acts/laws) and/or rules and regulations, have access to national and international capital markets (i.e. sub-national borrowing authority) and/or to the public-private partnership model for capital investment.

Responsibility with Authority: Ensuring that the full control and authority are exercised on transferred departments including their responsibilities and budgets and/or allocations from the national government.

Transparency and Accountability: Ensuring that openness and transparency, and down-ward, horizontal and vertical accountability of all local government institutions, local government division, and other concerned departments of line ministries regarding local governance are maintained.

Engagement and Empowerment: Ensuring that citizen engagement, inclusiveness and empowerment would be the underlying principle in local decision-making, planning, budgeting, implementation and follow-up Actions. As such, the citizen interest ought to be the central to the outputs as well as outcomes of local governance and development. Thus, the legal provision for standing and steering committees is necessary here. And such committees need to be formed and/or Activated in timely and full-fledged manner with the involvement of local stakeholders, especially diverse sectors of the community leaders, so as to get the civic engagement in monitoring and gearing up public services delivery and other expenditure responsibilities with transparent and accountable way. Importantly, the participation of the women and youth embedded in all local initiatives would be highly encouraged here.

Equality and Non-discrimination: Ensuring that all individuals are equal and are entitled to the human rights including the rights to development and public services, access to the knowledge and information, ability to the decent standard of living, and affordability to long, healthy and secure life without discrimination of any kind.

Rule of Law: Ensuring that local government institutions, alongside the state authorities at different levels, have obliged to respect, protect and fulfill human rights, rule of law and social justice.

Legislative Provision: Ensuring that in addition to the constitutional mandates, legislative provisions (i.e. Acts /laws) clearly declare the local government units, and articulate the roles, responsibilities and institutional linkages as well as inter governmental relations among the local government institutions and between local government and national government. Furthermore, it is to be ensured that rules and regulations are aligned with the concerned Acts/laws.

Code of Conduct: Ensuring that the different codes of conduct for local

public civil servants and political office holders are made available by the government, that guide politicians and officials of local authorities to discharge their tasks with a sense of responsibility and accountability to the citizens. However, the material and remunerative conditions of local politicians should be as high as they could continue their commitment to the common good of society with strong integrity and high degree of transparency. As such, disclosure of asset and liabilities of local political office holders are necessary.

Public Service Delivery: Ensuring that the public services delivery will be made available with fully decentralized approaches that meet the civic satisfaction and needs without irrational system loss and/or corruption practices.

Institutional Capacity: Ensuring that bridging communal leadership and institutional capacity building initiatives are initiated both at local level and national level, and these are supported by the national government and development projects.

Empowerment of the Local Authorities: Ensuring that local government bodies are freely exercising their powers, including those bestowed upon them by the national government, within the limits defined by legislation. This means these powers must be exclusive, and should not be undermined by other authority - not even by any individual legislator. Legislation, however, must address the provisions for separation of authorities for revenue assignments, expenditure responsibilities and public services delivery, and administrative, political and social justice authority. This prescription allows authority for revenue assignments including inter-governmental transfers to the councilors, authority for expenditure responsibilities and public services delivery to the secretary of the concerned local government institution, and administrative, political including networking, stakeholder-partnership, public-private partnership, local government borrowing and social justice authority to the chief elected representative (i.e. chairman or mayor). This chief political official, however, should have the discretionary authority to oversee the all other assignments and responsibilities, especially the public services delivery affairs. And the political officials should not involve directly in implementation, rather they will oversee and make accountable the other implantation authorities.

Thus, local government institutions' right to develop partnership with civil society, especially with Community Based Organizations (CBOs)

and Non Government Organizations (NGOs), and with private sector and other interested stakeholders, and also with other spheres of government, needs to be addressed by the legislation and/or rules and regulations so that inclusive development process here is set forth. Furthermore, participation of local government representatives in national and/or regional decision making and planning as well budgeting process is significant to the context of empowerment of local authorities and so to the balanced national development. And as such, national and/or regional government should involve consultation with local government bodies and their associations regarding any policy, Act/law, rules and regulations, and also relating to planning, budgeting and designing of development projects/programmes on local governance and development.

Supervision of Local Authorities: Ensuring that supervision, suspension or dissolution of local government elected representatives or local councils are exercised in accordance with procedures in Acts/laws, but these must be done by an independent local government commission, and subject to oversee such suspension or dissolution Activities by administrative courts and/or high courts to which appeals may be made. In addition, the independent local government commissions will help the government to ensure that the constructional mandate and spirit for the local governance development through the decentralization and local governance policy will be translated fully in laws, rules, regulations and practices as soon as possible.

Proposed Policy Framework

Structural Framework

There will be two types²⁷ of local government institutions in Bangladesh, namely rural local government institutions and urban local government institutions under a total eight regional local government commissions and one national local government commission, while 'division' would no longer be treated as administrative unit of the government. Importantly, rural local government and urban local government units will never be geographically overlapped, which means that the rural local government units and urban local government units must be with separate constituencies fitted with clear-cut area mapping. The proposed structural framework of the local government is presented at Table 5.

²⁷ Currently there are three types of local government institutions in Bangladesh (i.e. Rural Local Government Institutions, Special Local Government Institutions and Urban Local Government Institutions).

Table 5: Proposed structural framework of the local government

Ministry of Local Government, Rural Development and Cooperatives Local Government Division (LGD)	
↓ One National Independent Local Government Commission ↓	
Eight Independent Regional Local Government Commissions	
Rural Local Government Institutions Zilla Parishad (64) Upazila Parishad (491) Union Parishad (4498)	Urban Local Government Institutions City Corporation (10) Municipality (398)

The Local Government Division would, however, be downsized with limited number of senior officials and support staff, and with limited scope of responsibilities. The basic tasks of the LGD would be liaison with the national local government commission. Given the commission's advice and recommendations, it will deal with international organizations with matters relating to treaties and agreements, and with countries and world bodies regarding the subjects allotted to this division. And it is likely to draft Acts/laws on subjects allotted to this division for the legislative body, and thus issue rules, regulations, circulars, guidelines and strategy papers concerned to the related Acts/laws, and design, draft and initiate related policies to get approved from the Cabinet.

Furthermore, it will also maintain scope for public inquiries, MIS and statistics on any of the subjects allotted to this division. The LGD would also provide secretarial support to the concerned minister and/or state minister so that they defend well in the relevant parliamentary standing committee. However, the Local Government Engineering Department (LGED), Department of Public Health Engineering (DPHE), and National Institute of Local Government (NILG) will go under the stewardship of the National Local Government Commission. And as where applicable local offices of these departments and Dhaka WASA, Chittagong WASA, Khulna WASA, and five other new (proposed) WASA will operate under the concerned local government institutions and under stewardship of the regional local government commissions given the guidance as would be determined by the Acts/laws and/ or rules and regulations.

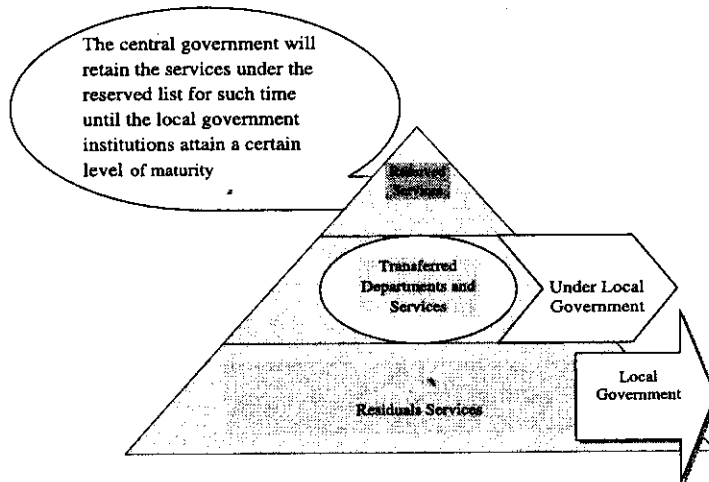
Functional Framework

In order to establish an effective decentralization framework, government services and functions should be divided into three, namely, reserved, transferred and residuals. The services and functions under the reserved list will include the regulatory services such as: maintenance of law and order, administration of justice, and national revenue collection and other regulatory administrations that are central and national in nature (GAF proposed policy, 2010).

The central government will retain the services under the "reserved list" for such time until the local government institutions attain a certain level of maturity. The rest functions and services should be included in the "transferred and/or residual lists". The services under the transferred list should be transferred to the local government bodies. These could include, for example: primary and secondary education, health and family planning, agriculture, youth and sports, water supply and sanitation, disaster management and relief, rural development and cooperatives, livestock and fisheries, and social welfare (Ibid).

And all services and functions under the residual list, for instance, social justice, and social safety and benefit schemes, and government development projects, must be governed by the local government bodies with efficient delivery and transparent administration. In line with the existing enactments, the above devolution should take place at the Zila, Upazila and Union Parishad levels as, relevant administrative set-up and infrastructure facilities currently exist at these levels (Ibid). For the municipality and city corporations, further to these services, inclusive city governance system and services must be incorporated. Figure 5 shows the proposed functional framework of the local government.

Figure 5: Proposed functional framework of the local government



Legal Framework

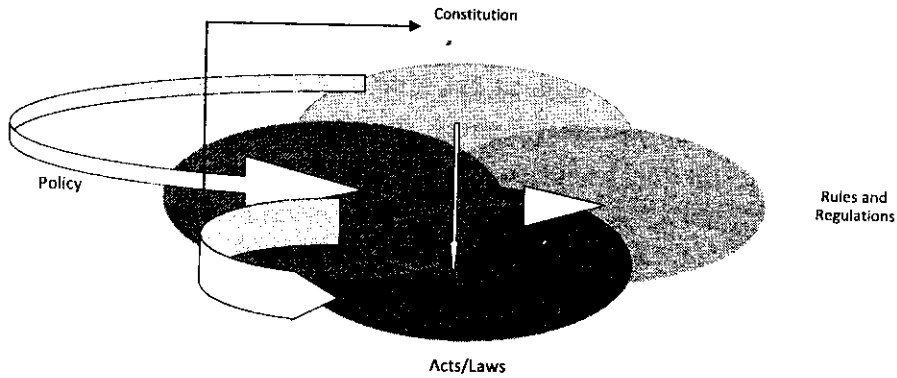
The local government institutions, especially Union Parishad, Upazila Parishad and Zila Parishad, are passing through a stalemate and transition period. It is probable that this impasse will somewhat be over by amending some controversial laws soon for the purpose of the principles of this proposed policy, and then, of course, by functioning new local government Acts with hurriedly issuing subsequent rules and regulations.

This alone, however, is not the critical factor. Absolute dependency on the mode of the legislature for the power of the local government in terms of the central-local relationship, and of the degree of democratic, administrative and fiscal decentralization, and of functions as well as functionaries of the local government is evidenced in the constitution. This reality leads us to support Indian model of constitutional guarantee that is to say it refers to the 73rd and 74th amendments of the Indian constitution.

The constitutional assurance, however, is not the ultimate to shape the premium local governance. In Uganda and South Africa, for instance, political authorities passed statutory and constitutional guarantees for local government development just 17 years back, but now both countries are noted as examples for democratic development of the local governance, which is resultant from both the constitutional pledge and democratic practices with high sense of political commitment. The success of these two counties has underpinned a lesson that the

constitutional pledge is as important as democratic commitment does for a strong local government system, particularly for a country like Bangladesh. Figure 6 shows the proposed legal framework of the local government and local governance.

Figure 6: The proposed legal framework of the local government



Conclusion

The national decentralized local governance policy is significant not only to the context of streamlining the decentralization paradigm but also to the perspective of underpinning the confidence of democratic decentralization to all democratic political parties, particularly to the major two. In reality, political regimes are changing between the two political parties, known as BNP and Awami League. Importantly, one major political party alone cannot strengthen the local government institutions because one political regime is too short to garner durable results in this domain. Thus, a political consensus on the issue followed by a policy initiation of the Local Government Division with adoption and/or adaptation of this proposed policy leading to the approval of the Cabinet is undoubtedly very urgent.

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