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Introduction

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Efficient delivery of public services in Africa and other developing regions has for a long time been hindered by highly centralized government bureaucracies (Mwabu et al., 2001). In Kenya, several efforts have been made to reduce unnecessary layers of government to make service provision to the populace more effective. This book reports on recent decentralization and devolution innovations in Kenya.

The volume is organized into three parts and contains a total of 12 chapters including the introduction. The chapters in Part 1 (Structures and Institutions) provide a comprehensive analysis of institutional and organizational environment in which decentralization and devolution reforms have been taking place over the last three decades. Part 2 (Principles and Processes) contains chapters that clarify decentralization and devolution concepts, with applications to selected local authorities. The chapters in Part 3 (Service Delivery and Financing) illustrate advantages of provision and financing of services at the local level, with a focus on the role of community participation in improving accountability and efficiency in resource use.

Chapter two by Preston Chitere and Onesmus Ileri examines the role of the district as a focal unit in the country's planning process. It reviews the district focus for rural development participatory strategy initiated in 1983 to strengthen coordination in the planning and implementation of development projects at the district level. The chapter highlights the major constraints that inhibited the realization of the intended effects of this decentralization and participatory planning strategy. The attempt to institutionalize community ownership of development programs and projects (bottom-up planning) did not succeed because of the absence of an appropriate legal framework to facilitate decision making and to mobilize resources. The organizational framework put in place was too bureaucratic and gave the provincial administration unchecked powers that negated the anticipated participation by local people. The chapter argues that there are good prospects for the strategy to work, albeit in a modified version. However, it notes that any constitutional wholesale devolution of authority to the district and a subsequent creation of a regional "development service entity" to replace the "district as a focal unit" would make the district redundant as a planning unit.

Chapter three by Samuel Gitau and Thomas Kibua evaluates the rural trade and production centers program, which was started in 1986 as a development initiative to augment the district focus strategy. The program was implemented as a measure to counter the rise in poverty and to fight other socioeconomic problems associated with declining performance of the economy. It was designed to reduce rapid urbanization rate and to curb high levels of urban unemployment. The chapter examines the manner in which the program was implemented and uses the practical lessons learnt to suggest how a strategy of growth poles can be a successful mechanism for enhancing the country's development efforts. The chapter shows that there were significant weaknesses in the application of the growth-centers program, such as political interference in the selection of center sites, inadequate involvement of stakeholders, predetermined infrastructure packages that were insensitive to diverse local circumstances, co-ordination problems, and lack of adherence to project completion deadlines. Nonetheless, the chapter argues that the weaknesses identified do not necessarily negate the growth-enhancing potential of similar initiatives provided that they are well planned and implemented.

Chapter four by Daniel Muia assesses the resources available to support devolved units of governance, and carries out an analysis of the necessity for self-reliance governance at local levels, and identifies structures for community participation in decision-making at the district level.

Recognizing the urgent need to achieve high economic growth, reduce income disparities and other poverty-related inequalities, Kenyans have persistently pushed for enhanced decentralization of development initiatives. It is generally argued, and often without data, that devolution of governance to the districts is the most viable way to support the country's development efforts. In this debate, the districts are favored as the focal points for managing development initiatives because they are believed to have the structures, the systems and the experience in the planning, budgeting and implementation (as well as monitoring and evaluation) of development programs. The chapters in Part 2 show that some of these assumptions are not valid.

Part 2 highlights principles and processes that could be applied or initiated to strengthen the structures and institutions for accelerating national development. Part 2 starts with chapter five by Adams Oloo which looks at Kenya's past efforts to deconcentrate political power and financial resources from the central government to lower levels of government. Based on decentralization and democratic governance principles, the chapter provides options that can be adopted in order for decentralization and devolution to achieve the cardinal goals of equitable resource distribution and good governance. The chapter argues that development can only be achieved through devolution to viable units, including granting adequate fiscal authority to local government units, and via an equitable sharing of national resources between central and local government.

Chapter six by Daniel Muia examines the structure and functions of local authorities as vehicles for providing basic services to the populace and suggests processes through which the beneficiaries of development can participate in local governments. The chapter appreciates the importance of strengthening local governance units and calls for the enhancement of stakeholder inclusion in the programming of development projects.

The government has over the years initiated several reforms aimed at strengthening local government institutional capacity to effectively manage their revenues and expenditures, improve service delivery, enhance economic governance and promote citizen participation in poverty-reducing projects. One such initiative is the establishment of a fund to rationalize the central-local financial relations by providing resources and incentives to local authorities to improve service delivery, financial management and debt reduction. Chapter seven by Lineth Oyugi analyses the administration and performance of the “local authority transfer fund”, an important mechanism for addressing inequalities across local authorities. The chapter identifies the critical challenges that face the implementation of this innovative reform of financing development projects at the local levels. This and other new methods of financing pro-poor development projects have been in existence since the early 1990s. The primary motivation for the introduction of the new approaches has been the realization that past initiatives to decentralize resources to local authorities had not yielded concrete results, especially in lifting the population out of poverty, primarily because the authorities were riddled with corruption and management inefficiencies, a situation that still persists. In particular, local authorities continue to have inadequate and ineffective oversight from the central government as well as from the beneficiaries of the services they provide. The central government has recently been experimenting with the decentralization of the management of various service delivery systems so as to involve local communities in the management of these systems. These new management initiatives should make local authorities more accountable and efficient.

Part 3 of the volume assesses the efficacy of selected decentralized efforts in improving service delivery. Chapter eight by Lineth Oyugi and Thomas Kibua examines the extent of local community involvement in the preparation of Local Authority Service Delivery Action Plans (LASDAP). Such involvement is key to access by local authorities of transfer funds. Various challenges that face any meaningful involvement of communities in the budgeting and financial control mechanisms of local authorities are identified. Recommendations for making the participatory processes more inclusive and effective as well as those for oversight mechanisms are suggested.

In an effort to evaluate LASDAP as a community-inclusive planning mechanism, a participatory case study was undertaken in the Nairobi informal settlement (slum) area of Korogocho over a two-year period. Chapter nine by Mariana Cifuentes presents the design, implementation, findings, conclusions and recommendations of the study. Although the chapter argues that LASDAP has inherent design flaws which undermine its capacity to become an important planning mechanism, it also points out ways of enhancing residents’ participation in order to effectively improve service delivery.

Chapter ten by Thomas Maina and Thomas Kibua looks at effectiveness of sector-specific management systems in the delivery of services with a focus on health care. It argues that both District Health Management Boards and District Health Management Teams were created in order to empower community representatives in making their health care decisions at the local levels. The chapter identifies various factors that constrain the capacity to deliver effective health services at the local level, and makes recommendations for enhancing service delivery capacities.

Chapter eleven by Patrick Asingo deals with yet another experimental approach to the delivery of urban services by local authorities with water supply as a prime example.

The chapter presents a case study of the privatization of water facilities in selected urban areas. It examines governance and policy issues emerging from initiatives by various local authorities to commercialize provision of water supplies by creating private water companies that set water prices on the basis of cost of provision plus “negotiated profit-margins.” The chapter looks at institutional, organizational and management frameworks in which the commercial companies operate, and assesses the impact of privatization initiatives on water availability, accessibility and quality. It further evaluates political and financial issues related to the design and implementation of monitoring systems that ensure that the water companies are accountable to local authorities in which they operate.

In addition to specific decentralization efforts at the district and local-authority levels, several initiatives have been carried out in order to improve the financing of development projects. Specifically, several decentralized development funds have been created. Some of the funds are district-wide, e.g., the District Roads Maintenance Levy Fund, but others are targeted at local authorities within a district, e.g., the Local Authority Transfer Fund. Moreover, even within a geographic entity such as a municipality or a constituency, the funds may be program- or project-specific, such as the Constituency HIV/AIDS Fund. The latest of these approaches (and which has elicited quite a lot of political and financial debate) is the decentralization of a huge amount of government revenue to the constituency, thereby making the constituency the focal unit for development initiatives throughout the country.

The service delivery practices analyzed in chapter eleven are relevant at district and constituency levels. The findings reported here can be used to improve governance systems and accountability of service providers in districts and constituencies.

Chapter twelve by Thomas Kibua and Benson Mapesa examines four key features of this new approach to development financing, namely (a) the utilization of Constituency Development Fund in meeting its intended objectives; (b) the management of the public resource envelope within the constituency; (c) participation of potential beneficiaries in the preparation, design, and management of constituency-level projects and (d) the governance practices and challenges facing the Constituency Development Funds.

The chapter starts by noting that the country has since independence experimented with a multiplicity of strategic development options. That is, as the process of development has matured, various structures and institutions of governance have evolved, specific principles and processes of governance have been tried, and several service delivery and financing mechanisms have been implemented. However, the outcomes of these initiatives, in terms of economic growth, poverty reduction, human capital formation, better governance, and human rights and security have not been impressive. Available statistics indicate that Kenya is still one of the poorest countries in the world. Moreover, the country has an exceptionally high corruption index, and its social development indicators lag far behind indicators for other low-income countries at similar stages of structural transformation. The chapter notes that there has been significant pressure, especially since the late 1980s, from within and also from development partners, for the country to put in place macroeconomic, political and legal reforms which would together form a comprehensive and consistent operational framework for enhancing the performance of the economy. The aforementioned new approaches to planning, budgeting, and financial management may be viewed as a

response by government to external and internal pressure groups to make public managers more accountable in the utilization of development funds. The pressure has brought to the fore the issue of public finance management and has enhanced decentralization of financial resources. The new approaches offer institutional, organizational and capacity building lessons and insights that should be highly valuable in the design and implementation of future development strategies.

The chapters included in this volume illustrate how decentralization reforms could be implemented to increase growth and reduce poverty but the concepts for analysing inequality are not covered in the volume. Interested readers should consult Duclos and Araar (2006) on this issue.

References

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