

**POLITICAL ECONOMY OF REFORM
FOR SERVICE DELIVERY:
THE CASE FOR ADMINISTRATIVE
DECENTRALIZATION IN AFRICA**
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ABSTRACT

This article analyzes how administrative decentralization can improve the provision of social services in Africa. It uses political, economic, and historical approaches, to investigate the bureaucratic dysfunctions that administrative decentralization may reduce. It argues that administrative decentralization can overcome the all-time challenge for African central governments to broadcast authority over harsh and sparsely inhabited territories. Also, by tackling the use of public employment and wages to leverage distributive politics, it may reduce the distortions affecting the financing of public services, and which particularly undermine the quality of education. Administrative decentralization may also enhance merit-based appointments and promotions of bureaucrats by reducing the propensity to resort to public employment and wages as a means for political officials to reward loyalty and to recruit fellows. Finally, administrative decentralization may leverage effectively civil service reforms seeking to align central bureaucracies with the objective of poverty reduction through enhanced service delivery. Attention is drawn, however, to the conflicts that may arise, as administrative decentralization will come to threaten vested interests. The paper argues that for reformer international institutions, handling situations of political crises and learning how to use them to leverage reform will be critical for the success of administrative decentralization in Africa.

Keywords: political economy, reform, administration, decentralization, Sub-Saharan Africa.

INTRODUCTION

Compared with other developing regions in terms of poverty indicators, Sub-Saharan Africa appears to be outstandingly dropping away.¹ By the end of the 20th century, a typical African country had 54 percent less gross domestic product (GDP) per capita than a typical developing country had. At the same time, combined primary, secondary, and tertiary education gross enrolment ratio was 30 percent lower. As for health, the rate of adult literacy and the life expectancy at birth were respectively 20 percent and 24 percent lower than the average of the developing countries, while the rate of infant mortality was 75

¹ In this study, the expressions “Africa” and “Sub-Saharan Africa” are used interchangeably unless specified otherwise.

percent higher in Sub-Saharan Africa (UNDP, 2001). From a dynamic perspective, figures illustrate this lagging as well. From 1980 to 1997, the average ratio of public expenditure on education over GDP increased from 3.8 percent to 4.1 percent, compared with 3.5 percent and 4.1 percent for the low and middle-income countries, respectively. In the 1990s, an average of only 1.5 percent of GDP was devoted to health expenditures in Sub-Saharan Africa, against 1.9 percent for the low and middle-income countries (World Bank, 2001).

Yet, these figures are underestimates of the gap between Africa and the rest of developing countries since they relate to GDP, whose dynamics was relatively more unfavourable in Africa. Indeed, the African GDP growth rate was 1.3 percentage points lower than the average rate recorded by low and middle-income countries over the same period, implying that Sub-Saharan Africa counter-performed more than the aforementioned ratios suggest. On the other hand, Africa is not homogenous, and there are important differences both within and among African countries. For instance, while about 62 percent of the target population had access to primary education, and 78 percent of the population had access to sanitation services in urban areas in the mid-1990s, the scores for rural areas were 35 percent and 41 percent, respectively. The evolution of the farmers versus non-farmers' individual earnings ratio also illustrates the differences within African countries. Since the 1980s, this ratio has stagnated between 10 percent and 12 percent. That is, it remained half as much as the average for highly performing Asian countries. Over the same period, non-African developing economies converged towards this Asian ratio, while there was no clear convergence for Sub-Saharan economies (O'Connell and Ndulu, 2000; Ngaruko, 2003).

Regarding the differences among African countries, the comparison of CFA economies with non-CFA economies is illustrative. The ratio between farmers and non-farmers' individual earnings just mentioned was about 30 percent higher in non-CFA countries compared with the CFA countries, where on the other hand, GDP per capita based on PPP was 17 percent and 9 percent lower in 1980–84 and 1995–99 periods, respectively. For the same periods, infant mortality rates were respectively 10 percent and 5 percent higher in the CFA zone. As for the gender gap, data from the World Bank show that from 1980–84 to 1990–95, the primary education enrolment ratio for females remained 20 percent lower than that for males in the whole Africa region. The dynamics of illiteracy depict a situation even more unfavourable to women, as the illiteracy rate for females aged 15 or more went up from 45 percent to 50 percent higher than that for males from 1980–84 to 1995–99 periods (World Bank, 2000c). Furthermore, these differences often overlap with other divides nurtured by ethnicity, corporatism, and regionalism, among others, resulting in a complex picture characteristic of poverty in Africa.

Recently, these patterns of poverty have prompted donors to stage an important change in their strategic approach to poverty reduction, and to envision decentralized service delivery as the pillar of their interventions in

developing countries (World Bank, 2000a). Some of the principles underlying this new approach are the empowerment of communities by giving them share of revenue, to allow them choose their own priorities, and the inclusion of safeguards against social exclusion of vulnerable groups (World Bank, 2000b). As such, decentralization may be an adequate response to challenges like the urban versus rural divide, as well as to the aforementioned gender gap. However, for other differences like those prevailing between CFA and non-CFA zones, and between Sub-Saharan Africa and the rest of developing countries, the appropriateness of this strategy is less clear. Can decentralization contribute to closing the gap between Sub-Saharan Africa and the rest of developing countries on the one hand, and between CFA and non-CFA zones on the other hand? Are there any specific dysfunctions responsible for the African and the CFA backwardness that decentralization may help redressing?

This article is concerned with these questions. It assumes that the characteristics of African states are not consistent with the classical reference to the Weberian ideal-type of bureaucracy. Using a political economic analysis closer to the concept of neo-patrimonialism, it argues that historically, African bureaucracies have come to vest special interests that are responsible for part of the dysfunctions underlying the lagging of the Africa region,² and that administrative decentralization can reduce these dysfunctions. The paper proceeds as follows. Based on recent experiences of decentralization in Africa, the second section illustrates the stakes associated with decentralization, and accordingly outlines a consistent analytical framework for the rest of the study. The third section argues that from the stage of colonial state formation and consolidation, Africa has experienced several institutional cycles. It shows that each of these included a specific type of dysfunctions, the piling up of which resulted in overlapping gaps, which now form major impediments to public service delivery. The fourth section is a critical review of the reforms that have sought to improve the functioning of African bureaucracies over these past few decades, and analyses how administrative decentralization may make the difference. The fifth section concludes this article.

1. THE ISSUE AND ANALYTICAL FRAMEWORK

1.1 RECENT EXPERIENCES AND THE NEW VISION

Since 1995, Burkina Faso has implemented a system of decentralized education service delivery, the “Satellite System of Basic Education” –SSBE– with the assistance of UNICEF and other partners. The objective was to provide basic

² Neo-patrimonialism is defined as a patrimonial regime that is not regulated through traditional norms, especially due to the presence of a non-traditional bureaucracy that forms a constraint to the traditional patrimonial ruler (Médard, 1998; Bourmaud, 1997).

education to a large share of the target population and to improve education supply, especially for girls. This project was innovative in several ways. As part of its institutional innovations, the satellite system was organized in local communities in a participatory process. Thus each satellite school was guided by a management committee (Comité Villageois de Gestion), which was formed with a view to gender parity. Its role included choosing the site for schools, mobilizing the villagers for the construction of infrastructure, and appointing teachers, generally residing less than 17 kilometres from the school. At the same time, the project pulled non-governmental organizations and central public management systems into an innovative partnership: while villagers contributed labour to build and maintain schools, the public interest groups and UNICEF provided equipment, while scholar programs and manuals as well as teachers' training were paid for by the central government.

This system was successful from many perspectives. The creation of the SSBE resulted in a sound competition with the traditional system. Moreover, in order not to be a burden on the budget of the schools, the teachers were paid 50 percent less than their colleagues in the traditional system. This reduced average salary costs for primary teachers from 8.2 to 6.2 times the country's per capita GDP. Nonetheless, these teachers were unanimously reported to be motivated and to enjoy ownership in the schools, and tests comparing performances in the satellite and the traditional systems demonstrate that pupils attending the former system did much better than those in regular schools (Table 1).

Table 1. Performance of the Decentralized System of Basic Education in Burkina Faso.

Topic	Average Score (0 to 10 scale)	
	Satellite System	Former System
Dictation	4.96	3.82
Grammar 1	4.45	3.94
Grammar 2 (Conjugation)	3.85	2.68
Vocabulary	6.08	4.19
Arithmetic 1 (operations)	6.81	1.81
Arithmetic 2 (Problem Solving)	4.18	0.42

Source: Data are from Barry et al. (undated: circa 1998).

Experiences of decentralization in other African countries also include success stories that illustrate the benefits of administrative decentralization as a lever of poverty reduction through service delivery. Several micro-irrigation projects in Tigray and Amhara regions of Ethiopia are ones of these success stories (Milas: 2000). By providing full employment to its members and by raising their incomes by 300 percent, the Tanzanian decentralized Songambe fishing cooperative proved to be a success story too (African Development Foundation, non-dated) Also, a recent non-exhaustive review found that in Bukawongo (Uganda), decentralization has helped address community-level problems of polluted water, soil erosion and poor soil conservation, pests and diseases in crops, shortage of classrooms, bad roads, parasites and diseases in livestock, and

fluctuating prices and lack of proper markets for local produce. The construction and maintenance of new village infrastructure by the Communautés Rurales de Développement in Guinea, the Social Recovery Projects in Zambia, the Malawi Social Action Funds, and the “social-fund-public-works hybrid” in Benin are also illustrations of the success of decentralized schemes of service delivery.³

The recent statement of decentralization as the pillar of a large part of donors’ interventions in Africa owes a big deal to the benefits like those just mentioned. Building on the well-known work of economics Nobel laureate Amartya Sen (1999), efforts at conceptualizing decentralization emphasize that this scheme may be viewed as an important dimension of welfare, and a growing consensus holds that local empowerment is a form of poverty reduction in its own right, quite independent of its income effects (World Bank, 2000a: 4). Indeed, many of the experiences of decentralization during the past decade were part of strategies accompanying democratic changes,⁴ which sought to improve governance. In other instances, the debate about decentralization has focused on its impact on economic growth, but the contributions in this area fail to derive clear lessons as to how decentralization affects growth. Emphasizing that decentralization increases the economic efficiency of public spending, some observers infer that it is growth-enhancing. Others, however, argue that it may lead to macroeconomic instability and thus inhibit growth in the long term.⁵ On the other hand, some observers argue that decentralization increases corruption, while others argue quite the contrary.⁶

Another strand of literature has recently questioned how much transfer of authority for decision-making, finance, and management to quasi-autonomous units of local government with corporate status improves the provision of public services (Crook and Manor, 1998), but this question is controversial as well. However, there is greater agreement, though, that decentralization enhances public service delivery, although some observers point to the risk of elite capture (Mohan and Stokke, 2000), and emphasize that the lack of local capacities may be an important impediment to decentralized service delivery. A recent study argues that many of the reforms in which decentralization failed to improve public service delivery involved one of the two main forms often, but abusively, compared to decentralization. The first is de-concentration, whereby the government redistributes decision-making authority and financial and management responsibilities among different levels of the central government. The second is delegation, whereby governments transfer responsibility for decision-making and administration to elected local governments not wholly controlled by the central government but ultimately accountable to it. This

³ For a detailed description of these experiences, see World Bank (2000b).

⁴ <http://www-wbweb.worldbank.org/prem/prmps/decentralization/rationale.htm>.

⁵ On the debate surrounding the stakes associated with fiscal decentralization, see Davoodi and Zou (1998), Sewell (1996), and Prud’homme (1995).

⁶ For a survey of the literature on these causalities, see Shah (1998) and Gurgur and Shah (undated).

literature argues that to enhance public service delivery and to contribute substantially to public welfare, decentralization needs to achieve the devolution of political, administrative, and fiscal authority to local governments (World Bank, 2000b).

1.2 PENDING CHALLENGES

While sound decentralization requires the shift of political, administrative, and fiscal powers towards local governments, imbalance among these powers may pre-exist to decentralization reform. Indeed, decentralization does not take place in a vacuum. It occurs in an institutional background shaped by history, and prior to reform, the institutional landscape may be characterized by important imbalances in terms of political, administrative or fiscal centralization.⁷ Also, important special interests have been historically vested in existing central public machineries, making given groups –either local or central, or both– bound to support or to oppose reform regardless of its potential or real benefits for the society. The recent experiences of decentralization have put a spotlight on such difficulties. In Guinea, for example, it is conflicts over power sharing between local and central governments that have jeopardized decentralization in some regions, as the central government failed to adopt the companion strategic plan required by decentralization in these regions (Robert, 1997).

In Burkina Faso, the SSBE experience shed light on a number of failures and weaknesses at the central level. These included the delaying of the pay of satellite schools' teachers by three to five months. Customs procedures were responsible for delays of five months in the availability of imported materials. Organizational problems in the Ministry of Basic Education became clearer, due to delays of several months in providing programs and manuals. More importantly, as the SSBE was designed to enhance education service delivery only for the first three years of primary education, the prospects for its graduates included a transfer to the traditional system or the addition of three more years to the satellite schools. The stakeholders in the SSBE —the parents and teachers—reportedly preferred the latter option, and claimed they were ready to contribute the required additional resources. Given the advantages of the SSBE, several observers suggested reforming the traditional approach and aligning it with the SSBE. This suggestion soon faced strong opposition from the traditional system's teachers, who instead proposed including the satellite system's personnel in their system, which grants more benefits.

The case of Burkina Faso illustrates part of the problems facing administrative decentralization, as well as the benefits at stake in terms of service delivery. It suggests that the underlying gaps reflect deeper weaknesses in the whole institutional environment of public servants, and that the success of

⁷ For a view on such imbalances, see Ndegwa and Levy (2003).

decentralized schemes of service delivery owed a great deal to their capacity to circumvent the central institutions.⁸ In this regard, three hypotheses underlie this study. Firstly, at the time decentralization reform is engaged, it may essentially require the correction of existing imbalances, as past political processes may have achieved substantial progress along some of the dimensions of decentralization relative to others. Hence, to improve effectively public service delivery processes, decentralization reform may need to be imbalanced, with uneven movements across different dimensions of decentralization, and an uneven, stop-start, rhythm. Secondly, in contrast to the views underlying past and current administrative reform work, this paper assumes that reform championing and opposition –at either the local or the central level or both– are largely endogenous, as they reflect the perception *ex ante* of the distribution of the costs and benefits resulting from decentralization. The third hypothesis follows from these first two ones: addressing properly both the existing imbalances, and the distribution of power as well as the costs and benefits associated with decentralization reform prior to engaging it, is a requirement. This paper is an attempt at responding to this requirement.

The overall purpose of this article is to investigate the factors that explain why administrative decentralization enhances the process of service delivery in Africa. Assuming that in spite of the diversity among African countries there are sufficient cultural, historical, and political commonalities to allow for the application of *ceteris paribus* hypothesis, this paper uses a historical approach to show the gaps in African public administrations that decentralization may reduce. Specifically, by analysing the special interests that central administrations have come to vest, this paper sheds light on the weaknesses of past and current administrative reforms in Africa, and devises why and how administrative decentralization may redress them.

1.3 ANALYTICAL FRAMEWORK

Economic historians suggest that the optimizing behaviour of individuals and organizations underpins part of institutional changes. North (1990: 86–90) argues that when parties to exchange perceive that either or both could do better with altered institutions, they attempt to devote resources to restructuring them, and thus create the pressure for change. This pattern of institutional change has a two-fold implication, which will be on the core of the analytical framework of this paper. The first is that the distribution of resources—either economic or otherwise—is a key factor of institutions and institutional change. The second is that what we call socio-political instability can be viewed as a process of renegotiation, and readjustment, of institutions –defined as the rules of the

⁸ Unlike Das Gupta et al. (2003), the hypothesis here is that to be effective, decentralization needs to bypass central rather than local vested interests; supportive arguments to this hypothesis in the specific case of Sub-Saharan Africa are developed throughout this paper.

game— as a consequence of the shift —perceived *ex ante*— in the distribution of resources. In other words, periods of institutional crisis are viewed as moments of adjustment between the distribution of power and the distribution of benefits associated with the exercise of public authority. In the post-colonial era, these readjustments have been particularly violent and frequent in Africa. As later discussion will show, public servants took advantage of such crises to grab benefits as a counterpart of the considerable power they gained since the end the Second World War.

Apart from this approach, political economists have recently come to consider institutions as a result of individual preferences and strategies, and the way these aggregate for collective action (Bates and Devarajan, 1999). Assuming that policies resulting from these institutions form a source of learning for individuals, who may revise their strategies accordingly, one can identify institutional cycles, defined by the time required for individual strategies resulting from the learning from existing policies to translate into new institutions, and ultimately into new policies.⁹ The nature of the institutional change—and of the policies stemming from this change—that results from such a learning process depends on the relative negotiation power enjoyed by each individual or sub-group, given that empowerment determines the extent to which an individual includes his or her preferences in institutions and policies. In this respect, in addition to domestic pressures for institutional change, later analysis will emphasize external influences, as domestic institutions and policy in part result from foreign nations’ policies, interests, ideologies, and strategies, and the way these aggregate for collective action through multilateral organizations.

These domestic and external pressures for change are not necessarily synchronized. Rather, internal forces have dominantly driven some changes, while other changes have essentially responded to external pressures. Specifically, since the colonial conquest, Africa has experienced three full institutional cycles, each of which has had persistent effects that still mark present-day public institutions, as later analysis will show.¹⁰ Even though it is not easy to identify exactly the turning points of these cycles, some events retrospectively appear to have symbolized the changes. The conference of Berlin (1884–85) symbolizes the “scramble for Africa,” even though the colonial conquest of Africa materialized over a long period from the late 1880s to the

⁹ There is more or less a consensus in economics that individuals learn from policies and revise their strategies accordingly, at least since the debates over the question of effectiveness of the monetary policy in the 1960s.

¹⁰ This notion of institutional cycle is different from that of political cycle. Bates and Collier (1993) show that in the latter case, policies generate pressures that become the sources of other policies in a short to medium term, with a basically unaltered distribution of power, and so unchanged aggregation of individual interests, preferences, and strategies. In contrast, it is the long-term trend of these political cycles and the aforementioned learning from them that creates the pressures for institutional change, as individuals and organizations seek to restructure the nest of rules and norms from which these policies stem.

mid-1910s. The codification of the indirect rule by Sir (later Lord) Lugard (former governor of Nigeria) in 1919, the end of the Second World War in 1945, and the creation of the OAU in 1963 were other turning points of the process described. The conference of Berlin and the end of World War II underpinned institutional changes dominantly driven by external forces, and appear to have been discontinuous, ‘big bang’-like, changes. In contrast, the indirect rule and the creation of the OAU were dominantly underpinned by internal forces, and were incremental changes, as they resulted from marginal adjustments to the complex of rules, norms, and enforcement forming the institutional framework. Due to their recentness, the democratic changes that occurred in the 1990s can hardly lend themselves to historical analysis, and it is not yet clear whether these changes mark the end of the cycle that began in the mid-1960s. Each of the periods delineated by these changes were marked by specific balance of power and specific role and shape of public administration. The persistence of these features makes current institutions, especially public administrations, to be a reflection of several overlapping gaps. The next section provides a view of these gaps.

2. INSTITUTIONS, POLITICS AND SERVICE DELIVERY

2.1 GEOGRAPHY AND STATE INTERVENTION

One of the basic problems encountered by public administration –and more broadly by state formation– in Africa has been to project authority over inhospitable territories, essentially due to the low population density coupled with the harsh natural environment and poor technology. Herbst (2000: 15–31) shows that while in Europe, the control of land and territory underpinned the processes of state formation, in Africa, political actors focused on the control of people, a scarcer and more valuable resource.¹¹ After having set the boundaries of African colonies by the stroke of a pen at the Conference of Berlin in 1884–85, Europeans were confronted with this problem, which the institution of the system of indirect rule since the 1920s unsuccessfully sought to solve. As for the post-colonial era, African leaders’ response to this constraint was enclosed in the charter of the Organization of African Unity (OAU). This charter stipulated that the independent states would retain their colonial boundaries, and that the government controlling the capital city was to be considered as the legitimate authority vis-à-vis the international community. As such, it would have the right

¹¹ Isichei (1997: 99–100) questions this explanation on the grounds that if people were so valuable in pre-colonial Africa, they would not have been sold as slaves to Westerners. However, this critique is questionable. By virtue of arguments dating back to classical economists, it is arguable that this “exchange value” was a dimension of these people’s value and that the fact that their “exchange value” was higher than their “usage value” does not mean that the latter value was null, or even low.

to claim the full protection offered by the modern understanding of sovereignty, no matter how effectively it controlled the rest of the territory.

In some sense, this principle fell to provide more political prerogatives to urbanites relative to rural populations, as it meant that the support or opposition of urban dwellers would be relatively more decisive for gaining office. This particularly distorted the distribution of political power between urbanites and rural populations since the former could overcome the problem of collective action more easily thanks to their spatial concentration. Hence, in contrast to rural populations dispersed over immense territories, they could exert pressure over the government more effectively. The financing and provision of primary education and sanitation services reflect this empowerment bias. In Africa, these services are typically provided by the public sector, and benefit to urbanites disproportionately more than to rural populations: the average ratios of the rural over urban shares of the target populations who access to education and sanitation services are just 56 percent and 53 percent, respectively.¹² Yet, public revenues essentially accruing from agriculture contribute to their financing disproportionately more than non-agricultural public revenues (Bates, 1983; Azam, 1999), except for the few major oil and mineral exporter countries. Table 2 illustrates this over-taxation.

Compared with non-farmers, farmers are poorer in Africa more than in the rest of the world. Also, even though Africa's non-agricultural versus agricultural earnings ratio seems to decrease over time, it barely converges towards the ratio typical of developing countries. Thus, the African average ratio was within the one standard deviation bound in 1980–1984, but not since 1985–1990, this clearly suggesting that by its low convergence velocity, Africa diverges from the rest of developing countries. Another way to look at the adverse impact of the current patterns of service delivery on poverty is to consider the effect of an increase of primary education on rural productivity. An expanding strand of literature confirms that higher average levels of education of farmer household members are associated with lower productivity. Some authors argue that this adverse impact of education follows from the reluctance of educated people to engage in agriculture in Africa.¹³ Azam (1999) argues that for these people, migrating to the city is often more profitable, even though collectively, this is counterproductive: the communities send educated members of the family to the city to ensure political participation for the family and even for the whole ethnic group, and to collect some money from the formal sector and the government, while the coalition of educated elite members are able to extract from the people left behind, and with the help of the benevolence of the state, much more than they send back.

Supportive to this view, Lau et al. (1991) find that an increase of gross primary enrolment ratio by 10 percent raises agricultural productivity by 1.7

¹² Data are from the World Bank (2000c).

¹³ Orivel (1995) provides a brief survey of this literature.

percent in Latin America, 1.3 percent in Eastern Asia, 0.1 percent in North Africa and Middle East, and only 0.03 in Sub-Saharan Africa. Some studies even find a negative relationship in the latter region (Saito et al., 1994). Focusing on various facets of agricultural export performance (including the responsiveness to international price incentives, commodity diversification, and the shift towards processed agricultural exports), Ngaruko (2003) finds that education explains performance relatively more significantly if it is considered interactively with institutions, and confirms that the impact on agricultural export diversification then becomes negative.

Table 2. Non-Agricultural Versus Agricultural Earnings Ratio, Selected Regions (1980–1999)

	1980–84	1985–89	1990–94	1995–99
Sub-Saharan Africa (29 countries)	9.52	9.37	8.72	8.44
Highly Performing Asian Countries*	4.2	4.0	3.91	3.76
Average (38 non-SSA developing countries)	5.7	4.7	4.0	3.9
+/- 1 standard deviation gap (38 non-SSA countries)	10.7	6.97	4.64	3.8

Source: Ngaruko (2003).

*Hong Kong, Malaysia, Indonesia, Singapore, South Korea, Thailand, and Taiwan.

Hence, the political bias in part stemming from geographical constraints makes public servants to be a central instrument of exclusionist and inequitable policies, in contrast to the widespread recognition of the distributive character of public services. This exclusionist character consists in financing services that essentially benefit politically powerful urban groups by means of resources mainly drawn from politically weak rural populations.

2.2 EARLY INSTITUTIONAL CONSTRAINTS

The second set of factors impeding state formation and the provision of public services relate to the nature of African administrations and the successive institutional changes that these administrations have encountered. Any attempt to assess the pre-colonial legacy of modern African institutions faces a difficulty resulting from the limits of the concepts drawn from European sociology to capture the reality of pre-colonial African institutions. Regarding the question of distribution of negotiation power, for example, pre-colonial Africa included many slave states. However, Isichei (1997: 111) argues that the lifestyle of slaves contributing work and villagers paying tribute in kind did not differ so much, not to mention the famous Shyaam kings, the architects of the Kuba kingdom (Central Africa), who were sons of slave mothers. Also, in pre-colonial Africa, many dignitaries were found by early European observers to have immense power, often exercised arbitrarily, sometimes with horrendous brutality. These dignitaries' decisions often rested on rites, myths, and customs so deeply internalized by the society (Bourmaud, 1997: 19–23), that they might

be considered either social norms or preferences.¹⁴ Public decision-making was decentralized in pre-colonial Africa, and pre-colonial public systems included sound and effective systems of accountability, even though these were informal and trust-based. As the stylized facts of Table 3 show, current patrimonial states are those that present the most critical gaps.

Table 3. Environment of present-day neo-patrimonial African states: stylized facts.

	Primitive society	Current figures	Industrial country
- Goals	Clear and realistic	Vague and grandiose	Clear and realistic
- Authorizing environment	Strong	Weak	Strong
- Basis for enforcement and accountability	Informal and trust-based	Semi-formality and lack of trust	Formal and legal
- Operational capacity	Consistent and functional	Dysfunctional	Consistent and functional
- Public sector decision making	Decentralized	Centralized	Decentralized
- Public sector orientation	Output	Input control, command and control	Input and output monitoring

Source: Adapted from Shah (1998).

Compared with pre-colonial institutions, the nature of colonial institutions and the role of public administrations that resulted from the colonial conquest are much less controversial. These institutions reflected the objectives of the colonial enterprise, as well as the gap between the negotiation power retained by a handful of Europeans enjoying an overwhelming technological, economic and military advance and that of masses of Africans. One of the most striking characteristics of the early colonial institutional environment was the place devoted to private interests of a few people in public affairs. As Young (1994) argues, the unwillingness of the conquering governments to finance the costs of hegemony prompted them to grant chartered companies of virtually unrestricted delegated authority, in return for their capitalizing and organizing the initial framework of hegemony¹⁵. Granted large monopolies in their domains, these companies were modestly capitalized, as they sought to reap the maximum profits in the minimum amount of time through a strategy combining the over-exploitation of human and natural resources and the use of violence.

The shape of public administrations largely reflected this strategy. In the wake of the colonial conquest, one of the main features of the administrations was their military background. This was a result of not only the process of

¹⁴ On the equivalence between social values and (meta-) preferences, see Hirschman (1986).

¹⁵ Le Roy (1997) argues that this constitutional logic set the basis for the weakness of African states' legitimacy that prevails until today.

conquest, which was often –but not always– military, but also the place of coercion as a regulator of state-citizens interactions. This was also consistent with the tasks of the early colonial public servants, who defined their duties as “imposing regulations, limiting individual liberties, and collecting taxes” (Young, 1994: 101). Hence, to emphasize the singularity of the constitutional logic underlying the construction of modern African states, the author notes (p. 285) that whereas constitutionalism was a means for civil society to limit the power of the state in Europe, it was a tool for the state to limit the rights of civil society in Africa.

In the inter-war period, there was a twofold change. First, the colonial rulers instituted the form of administration known as “indirect rule.” This new scheme resulted in the inclusion of Africans in the colonial administration apparatuses, and in the first notable effort of service delivery by public servants. While missionaries cared for much of limited education services during the previous period, the state was increasingly involved since the 1920s, even though the share of target populations that had access to education remained low by current standards.¹⁶

Indirect rule joined African authorities in traditionally held or European-imposed political roles to the colonial government, but in a subordinate capacity. Indeed, indirect rule was a hybrid between delegation and de-concentration. Not only was upward accountability the rule, but also African officials were given inferior tasks as well as those that exposed them to the anger of local populations, such as collecting taxes, mobilizing Africans for forced labour, and administering corporal punishment. Yet in many instances there were competing local claimants to authority, on whose rivalries the colonial could play, and among whom it might select a contender willing to accept the diminished power. This policy resulted in complex hierarchies among groups and in the ethnicization of public administrations, especially in Belgian and British colonies.¹⁷

Eventually, indirect rule was also an instrument for limited European personnel to administer vast and inhospitable territories as earlier discussion suggested. The figures prevailing at different points of time between 1908 and 1914 illustrate this: with only 756 European civilian officers and 482 military cadres to assure domination over 900,000 square miles in the Congo Free State,

¹⁶ In 1938, for instance, the ratio between the number of schoolchildren and the total population amounted to one in 171 in the *Afrique Occidentale Française*, and to one in 500 in the *Afrique Equatoriale Française* (Bourmaud, 1997).

¹⁷ The extension by France of the principle of separation between the religion and the state to the French colonies contributed to restricting the ethnicization of the administration to the minimum required by the divide-and-rule tactics necessary to an effective control of subjugated peoples. In contrast, the British and the Belgians resorted to a closer cooperation between the colonial government and churches, especially in education and the construction of the administration. This resulted in more ethnicization of public administrations, as a result of the churches’ discrimination against Islamic and animist groups (Young, 1994: 109–113; 232–234).

for instance, with fewer than 200 European administrators in Nigeria, with only 100 European administrators in Moyen Congo, and with just over 110 British officers and officials in Sudan, no doubt that for colonial rule to have substance, African collaborators were indispensable. By using local agents that Africans considered as legitimate, indirect rule was an experience of *realpolitik* in the first place.

2.3 THE RISE OF BUREAUCRATS IN POLITICS

By the end of the Second World War, large numbers of African public servants had been in Europe as students and had learned how to mobilize for political purposes. After the war, this experience allowed African nationalist movements often led by public servants to play an increasing role in domestic politics. These movements were often organized along ethnic lines, especially in British and Belgian colonies (Harris, 1998: 235–268), as a consequence of practices inaugurated since the creation of indirect rule system. The threat represented by the ambiguities surrounding Africans' struggles for independence was particularly real since little was said about the model of governance to be put in place after independence, (Wilson, 1994: 92). This threat materialized more clearly after independence. The way early post-colonial leaders shaped the internal environment of African bureaucracies and the articulation of these bureaucracies to the rest of the society at large are illustrative.

Soon after the fall of colonialism, the new rulers undertook to re-centralize power by reversing the few democratic changes of the 1950s. Here and there, repressive policies recalling those of the early colonial era were revived, while self-declared for-life presidents multiplied. Traditional chieftaincies, elected parliaments, unions, and multiparty systems were suppressed, allegedly to preserve national unity, but in fact, the discourse on national unity was hollow. Like the discourse about democracy and sovereignty earlier, national unity was used to justify the violence against political opponents. Rather than unity, it is divisive policies that were enforced. Ethnicity, regionalism, and religious divides flourished, while violence was *de facto* a tool to regulate domestic policies. Particularly contrasting with the effort to consolidate external sovereignty, this polity substantiated the second characteristic of state building in Africa: in contrast to the Hobbesian logic of international relations, politics between countries has been well ordered, while domestic politics have shown little evidence of stability in Africa (Herbst, 2000: 109).

In this respect, well-organized sub-groups –among which the bureaucrats– played a central role. In many instances, the bureaucrats were the main social force capable of challenging governmental authority. The resulting face-to-face encounter between bureaucrats and the executive undermined upward accountability, not to mention downward accountability, which was lacking even during colonization. Since the mid-1960s, the militaries joined the civil

servants in this position. The political power of civil servants and militaries in the post-colonial era was clearly illustrated in the description of the Kenyan institutional system under Kenyata's regime by Chazan et al. (1988). The authors argue that despite the existence of formal legislative and judiciary, there were indeed three key institutions in Kenya: the executive, the administrative, and the repression apparatus.¹⁸

At the same time, another process shaped the internal structure of African bureaucracies. Parallel to the re-centralization of power after independence, an ideology whereby the new rulers undertook to falsify history in order to magnify their role during the fight for independence emerged. Underscoring the fact that African independences in large part resulted from international pressures that developed in the wake of the World War II, this falsification provided these leaders with a stature as infallible fathers of nation, and as the only persons able to guide their people. In countries where the champions of independence were no longer in power, it is a manipulation based on a revolutionary discourse that took place. This discourse largely remained hollow, except in some countries, such as Tanzania and Ethiopia, where it was consistently substantiated by reforms.

The totalitarian and divisive character of these processes soon turned appointments in the public sector into a way for the chief to reward loyalty and to recruit fellows. The replication of discriminatory appointments at all levels of the administration gradually transformed bureaucracies into piles of networks whereby each incumbent was granted a portion of power and accompanying privileges and had in turn to pledge implicit personal allegiance to his benefactor, with the president ensuring the coherence of the system from the top of the pyramid thus formed. Since political militancy took place in kin connections, not surprisingly this shaped the bureaucracies along ethnic lines (Agesa, 2000).

2.4 COSTS AND EFFECTIVENESS OF BUREAUCRATS

The international political and economic order that emerged in the wake of the Second World War brought new priorities to the centre of public policy. The emphasis put on development resulted in a gradual expansion of administrations. This in turn led to further inclusion of Africans in public administration to provide education and health services on a larger basis. Yet deliberate policy transformed public servants in a superior class with special privileges, thus

¹⁸ In a number of countries, the differences among these institutions were unclear: of the 31 states that were independent by 1975, civilians headed the executive in only 12 (Bourmaud, 1997: 89). At the same time, increasing numbers of militaries were appointed to carry out civilian missions (Assensoh and Alex-Assensoh, 2001). The subsequent blurring of the frontier between civil servants and the military was analogous to the administration that the Europeans first shaped at the early times of colonialism.

planting the seeds for later problems for service delivery. An anecdotic illustration of this is the law known as the ‘1946 Lamine Gueye Amendment’. Resulting from the struggle of African public servants for equal treatment vis-à-vis their European counterparts, this law provided the same wages and allowances to African and European public servants, including the special compensations for the hardship of life in Africa in comparison with Europe. Likewise, for the first postwar decade, the Belgians concentrated their policy efforts on defining a special status for the “évolué” class, with corresponding privileges (Young, 1994: 194–196). Only in British and Portuguese colonies did the privileges of public servants remain relatively modest, especially compared with those in French colonies, where at independence, primary school teachers could earn up to 25 times the per capita GDP, compared with 1.5 times as much in members of the Organization for Economic Co-operation and Development (OECD), twice as much in Asia, and 3.3 times as much in Latin America (Edwards, 1985).

In the colonial context, these gains would hardly be distinguished from those of Africans at large. By then, much of the corporatist struggles and the nationalist unrests were mixed up, and the resulting concessions were viewed as African victories over the colonial system. Indeed they were, at least as symbols of equality. However, these gains and the underlying imbalances of power were also sources of trouble, especially as time passed. Set with reference to those in metropolitan administrations, and regardless of their budgetary affordability and economic sustainability in Africa, public wages distorted the provision of public services. So far, much of the budgetary effort devoted to line ministries actually finances wages—to the detriment of equipment, especially in education, where recent research shows that public expenditures behave as a predatory variable (Azam et al., 1996), in total contrast to the recognition of the distributive character of education expenditures. Thus, though the share of primary education expenditure allocated to teaching materials has increased over the past three decades (from 1.7 percent in 1970/74 to 3.1 percent in 1995/99, World Bank data), it remains very low. This distortion explains part of the poor quality of primary education in Africa (Orivel, 1995).

Hence, public servants are not only the instruments of exclusionist policies but also the beneficiaries of these policies. In fact, the institutional environment has historically provided them with a political power that has come to be part of *motus operandi* political equilibria.¹⁹ In spite of government employment accounting for just 2.3 percent of the population in Sub-Saharan Africa, public servants form systems through which large rent collection and sharing are implemented (Azam, 1995). Grootaert et al. (1995) show that in periods of economic crises, African civil servants encounter disproportionately less impoverishment than the rest of the society, while the chance for a government to stay in power still often depends on its cleverness in the distribution of rents (Azam, 1999). A comparison of public wages across regions supports these

¹⁹ For a similar interpretation, see Gallagher (1991: 58).

figures. According to Schiavo-Campo et al. (1997), it takes the incomes of 5.7 people to pay one civil servant in Sub-Saharan Africa. In Asia, the ratio is only 3.0 to 1; in Eastern Europe and former USSR, 1.3 to 1; in Latin America and Caribbean, 2.5 to 1; in North Africa and Middle East, 3.4 to 1; and in OECD member countries, 1.6 to 1 (Table 4).

This high social status of African bureaucrats particularly contrasts with their low contribution to the social welfare. This is particularly striking given the high degree of exclusion associated with public policies. These indicators confirm the predatory character of African bureaucracies. Compared with non-CFA countries, this predatory character is relatively more pronounced in French former colonies. This is not a surprise, given the particular evolution of CFA member countries' bureaucracies since the colonial era. Yet even so striking, these figures are underestimates. For instance, data from Lienert and Modi (1997), which take in account a larger array of benefits of public servants, show that on average an African public servant's wage amounted to more than 7.6 per capita GDP in the mid-1990s. And if illegal incomes accruing from corruption were taken in account, no doubt that the social status of African public servants would appear to be higher than suggested by Table 4. Together with the small size of African bureaucracies, these figures are consistent with the findings of Coolidge and Rose-Ackerman (1997), suggesting that kleptocratic governments that allow lower-level officials to share in corrupt gains tend to favour small governments.

Table 4. The cost and effectiveness of public servants, selected regions (mid-1990s).

	Average Public wage as multiple of per capita GDP	Index of integrity in 2000	Policies for social inclusion/ equity Index**	Government effectiveness	Public wage as a multiple of private wage in manufacture	Government employment* as percent of population
Sub-Saharan Africa	5.7	3.2	3.0	1.87	2.0	2.3
CFA countries	7.0	2.8	2.8	1.80	NA	1.4
Non-CFA Countries	4.5	3.4	3.1	1.89	NA	2.5
Asia	3.0	3.0	3.4	2.56	1.8	3.2
North Africa and Middle East	3.3	4.4	3.2	2.35	1.0	4.6
Eastern Europe and Former USSR	1.3	3.4	3.8	2.17	0.6	8.0
Latin America and Caribbean	2.5	3.8	3.6	2.25	1.5	3.4

Source: Rough data on employment and salaries are from Schiavo-Campo et al. (1997); Index of integrity from Transparency International, 1- to-10 scale, lowest to highest integrity.

Government effectiveness indicators are from Kaufmann et al. (1999): 0-to-5 scale, lowest to highest effectiveness. This variable captures the quality of public service delivery, competence of civil servants, and the degree of non-politicization of the civil service.

N.A.: Non-available.

* General civilian government plus armed forces.

** *Rough data are from the World Bank Institute (1999), scale of 1–6 (worst to best).* This index is based on annual assessments of the quality of policy performance of World Bank’s client countries. The criteria and methodology of these assessments have evolved over time to incorporate lessons from experience as well as research findings. Beginning in 1998, these country policy and institution assessments (CPIA) were broadened to include an evaluation of not only the government's policies but also the institutions in place to implement them.

3. THE REFORMING PROCESS: WHAT ROLE FOR DECENTRALIZATION?

3.1 THE LIMITS OF PAST AND CURRENT REFORMS

Over the past two decades, African bureaucracies have gone through two major types of reform: the structural adjustment programs of the 1980s and the 1990s, and the democratic changes of the 1990s. Between 1980 and 1997, three typical bureaucratic dysfunctions were diagnosed by the World Bank (1999a): overstaffing and unsustainable wage bills; misalignment of organizational structures, poor human resources, and inadequate incentives; and credibility and accountability, cumbersome rules, political interference, and cultures of non-performance. Accordingly, by the early 1990s, reforms sought to make public apparatuses more transparent and accountable, in addition to being more efficient. Thus, in the 1980s, the reforms sought to downsize public service apparatuses and to improve capacities. As a World Bank (1999a) evaluative study points out, the impact of these reforms on service delivery was modest, as they focused on efficiency gaps, while the most critical limit of African bureaucracies was ineffectiveness. As regards capacity-building efforts, they were undermined by the “brain drain” (Haque and Aziz, 1998). Reforms aimed at improving transparency and accountability did not fare much better. Their failure can be easily understood in the light of the analytical framework summarized earlier, as they targeted technical weaknesses while leaving the balance of power underlying these institutions unaltered.

More recently, performance-contracting schemes have been envisaged as an alternative to the previous attempts to reform African bureaucracies. Under these schemes, the governments are expected to pay salary increases to senior public servants, who in turn will contractually commit themselves to attain predetermined objectives. The question is whether these schemes will fill the gaps undermining public servants’ effectiveness. From the outset, it should be noted that the attempts to redress institutional failures by means of financial incentives seldom yield notable improvements.²⁰ Even the little change that would result from this reform would hardly be sustainable. Past reforms in Africa instead shows that this tends to aggravate the problem, as those involved seek maintain these weaknesses and to use the reforms meant to redress them as an instrument to reap benefits from the donors (Van de Walle, 2001; Mbembe, 1992).

On the other hand, the limited budgetary resources that African states can devote to leveraging effectiveness through financial incentives in such unfavourable institutional environments will likely maintain the efficiency level of ineffectiveness at a too high level to make any notable difference. At best, the

²⁰ For a view of the limits of economic and financial incentives in institutionally weak environments, see Arrow (1974).

impact of these schemes will likely depend on two contingencies. In the first scenario, the donors would be deeply involved in the design and the enforcement of these contracts, thus giving this reform a serious chance of working out. The risk that would jeopardize the scheme in this scenario would be the weak ownership by the beneficiary countries. In the second scenario, governments in the beneficiary countries would be entrusted with the design and the enforcement of these contracts. In this case, the threat to these schemes would come from governance failures, part of which have been mentioned earlier. Indeed, as these contracts would be nested in the hierarchy of the prevailing rules that they would seek to reform, the question as to how these schemes would work out remains open.

In fact, like the reforms of the 1980s and the 1990s, the performance-contracting schemes face an important risk stemming from an ambiguity that raises the question of the concept of “institution” that should be referred to by reform codifiers. Since North (1990) popularized it, the definition of institutions has now turned to be mainly viewed as “the rules of the game”. On the basis of this definition, North (1997: 9) emphasizes the need to distinguish between the rules of the game and the players, defined as groups of individuals bound by a common purpose to achieve objectives. On the other hand, Guerrien (1993) draws attention to the need to distinguish between the rules of the game and the machineries —also called institutions in the common language— that enforce these rules. However, reform designers seldom make these distinctions. Their efforts at reforming institutions have typically focused on ‘player organizations’ and ‘public machineries’ more than on the very rules of the game. Their reference to the concept of institution in their reform strategic papers has nurtured a double conflation, firstly of the rules of the game and players, and secondly of goals and means. Obviously, performance-contracting schemes are subjected to this conflation, which weakens their consistency. The next subsection argues that envisioning contract performance schemes in a large context of decentralization might allow public sectors to make the difference by enhancing service delivery.

3.2 HOW CAN DECENTRALIZATION MAKE THE DIFFERENCE?

Earlier analysis suggested that unless a genuine reform focusing on the power imbalances underlying current rules of the game and machineries, the chance to improve the process of service delivery substantially will remain low. In this respect, the democratic reforms initiated in the 1990s might be crucial to setting the basis for performance-contracting schemes. Yet, as they stand now, these changes do not seem to be enough to make notable difference, since they barely affect the prevailing rules of the game. Instead, they delay reforms that would be inevitable otherwise: the elite use them to derive benefits from donors and so to

relax the pressure for change (van de Walle, 2001), or from politically weak domestic groups, reinforcing existing dysfunctions.²¹

Other studies reveal the scepticism of ordinary people about the chance for these processes to result in any substantial response to their needs, and recent evidence shows the extent of the deficit of credibility of the candidates in the eyes of the grassroots electorate. For instance, rather than formulating ambitious political demands to the candidates, the grassroots electorate prefer to make up-front small demands, which in Uganda and Mali included beer, T-shirts, bags of sugar and tea, school fees for children, and so on (Thomas and Barkan, 1998). Worse, these demands dramatically distorted these nascent democratic practices. In Uganda and Sierra Leone, these demands raised the cost of campaign financing per candidate to levels comparable to those in the U.S., where GDP per capita is more than 100 times higher (Thomas and Barkan, 1998). As a result, electoral campaigns were so costly that only a handful of wealthy people could afford them. In such contexts, evidence suggests that only a tiny share of the people—those who contribute substantially to campaigns—can shape institutions and policy, in spite of formally equal empowerment of all citizens.²²

Decentralization in general, and administrative decentralization in particular has advantages that may help overcome the problem of ineffectiveness, and that may improve to the processes of public service delivery more than the previous reforms did. If designed and implemented properly, decentralization is bound to tackle the problem that centralized public authorities have in intervening in remote hinterlands. In this regard, there seems to be virtually no credible alternative to decentralization given the state of technology in Africa. As earlier discussion emphasized, the colonial authorities faced this problem soon after their conquest of the continent. Their response was the creation of the system of indirect rule, which was comparable—though not similar—to decentralization. That is, the colonial rulers did not find anything more appropriate to address this problem than implementing a reform centred on the shift of maximum authority compatible with the logic of colonial domination.

²¹ There are a lot of illustrations of this in Africa. Regarding the specific case of bureaucrats, Haynes (1995) mentions that in Ghana, for example, Jerry Rawlings' party won the legislative elections of 1992 thanks to the support of civil servants after he committed to increase public salaries by 50 to 70 percent if his party won the election. Conversely, in Burkina Faso, the Thomas Sankara's regime, which was founded on integrity and on participation of the population at large in public affairs, was led to failure in the 1980s in part by the resistance of bureaucrats when the government came to question the privileges they had obtained under previous regimes (Meijenfheldt et al.: 1998).

²² The study of Verba et al. (1997) shows that in the United States, the asymmetric economic power resulting from the unevenness of income distribution entails real distortions to democracy. The figures, drawn from a representative sample of 15,000 Americans, showed that the top 3 percent of the sample (with family incomes over \$125,000) produce more than their proportionate share of the vote, protests, campaigns, and 35 percent of the money contributed, while the bottom 20 percent (with incomes less than \$15,000) produce only 14 percent of the vote and 2 percent of the campaign funding.

But decentralization is more than just a palliative response to the technological and organizational gaps that impede governmental interventions in remote areas. Fundamentally, genuine decentralization reduces the imbalance of power, insofar as it gives voice to the voiceless. By recasting the distribution of negotiation power, it may allow ordinary people to contribute to shaping institutions and thus to including their preferences in public policy (Girishankar and Levy, 2000). In this respect, decentralization can be viewed as a necessary complement to the democratic reforms going on in Africa since the 1990s. Together with these, decentralization could form a major change vis-à-vis the two constitutional pillars on which the so-called modern African states were founded, as it is the exact opposite of the principle of the control of the civil society by the state, and as it provides for the ordering of the political relationships among domestic actors.

As regards administrative decentralization specifically, it may be a response to the problem posed by the external environment of African bureaucracies. Indeed, administrative decentralization provides for a division of labour whereby central public servants focus on facilitating local government activities, setting standards, providing training to lower levels, and providing rewards and penalties to improve local government performance instead of running services directly, while local communities are entrusted with the tasks of hiring, paying, and disciplining all those who provide them with frontline local services (World Bank, 2000b). By realigning the central public machineries, administrative decentralization may improve the contribution of those machineries to local service delivery. In particular, the principle of subsidiarity that underlies administrative decentralization may improve the productivity of both the central systems and the local administrations, thanks to specialization in the tasks in which each of these systems are effective the most. Moreover, by breaking the face-to-face encounter between the executive and the bureaucrats, it would weaken the basis of the systems of rent seeking and exclusion that are responsible for the distortion of the function of production of public services.

Eventually, administrative decentralization may be a valuable option to tackle the problems that undermine the internal environment of African bureaucracies, especially ethnicity—one of the most critical of these problems. There is currently an emerging consensus on the fact that ethnicity and related problems (regionalism, corporatism, nepotism, and so on) result from the use of social capital for inappropriate purposes (Dasgupta and Serageldin, 2000; Colletta and Cullen, 2000). In post-colonial Africa, ethnic solidarities have been responsible for the suffocation of sound competition, especially in public employment. Decentralized service delivery may change this logic. Not so much because competitors would come from the same ethnic group and region, as one would devise, but more importantly because the competition would take place in a context where actors would reasonably be expected to be more directly and more effectively accountable for their actions. As the SSBE in Burkina Faso illustrated earlier, instead of exacerbating ethnic polarization of the society, decentralized service delivery brings groups of stakeholders into interactions

that rely on trust, thus contributing to the improvement of the stock of social capital. The SSBE has also illustrated that the returns are considerable in terms of service delivery enhancement, judging by the tokens of both effectiveness and efficiency—teachers unanimously found to be motivated and to perform better than their counterparts in the traditional system, in spite of earning 50 percent less—and of sustainability of reform outcomes as stakeholders prove to enjoy ownership on the school, and to cling to the “satellite” system.

In spite (or perhaps in reason) of the importance of the benefits at stake for different stakeholders, administrative decentralization is likely to raise sharp difficulties. Due to the resulting shift of power and the loss of accompanying rents by various profiteers of the current systems, administrative decentralization will be one of the most difficult aspects of decentralization to achieve. As such, decentralization processes in Africa include risk, especially as these processes come to question vested interests on a large basis.²³ This recently prompted Ndegwa and Levy (2003) to predict that in Africa, decentralization processes will likely be messy, with uneven movements across different dimensions of decentralization, and an uneven, stop-start rhythm. The authors devise that such difficulties are more likely to happen in Francophone Africa than in the rest of the Africa region, but in the light of the historical differences of these zones’ bureaucracies, this would not be a surprise. In this respect, the satellite system of basic education in Burkina Faso was particularly illuminating, since it showed that effectiveness in enhancing service delivery is not just a straightforward story of budget increase, capacity building, public service sizing, and performance contracting. The question of the interaction of these factors and power recasting across the society will be key for the success of poverty reduction through decentralized service delivery.

4. CONCLUSION

This article shed light on three types of dysfunctions affecting African public administrations’ contribution to poverty reduction through public service delivery. The first type includes the dysfunctions that stem from the interaction between geography and population settlement. It also includes the dysfunctions resulting from the technological gap currently encountered by African countries relative to the harshness of the natural environment they face. By placing entire territories out of reach of the central government, these factors undermine central governments’ efforts to deliver services in remote areas. The second type of dysfunction refers to the external institutional environments of African bureaucracies. African administrations are part of public systems whose constitution has historically rested on the control and the limitation of people’s

²³ Again, Burkina Faso provides an illustration of this: the overthrow of the regime of Sankara in a bloody coup in 1987 was in part triggered by the discontent of public servants clinging on their privileges (Meijenfeldt et al., 1998).

rights and liberties. The resulting lack of accountability has provided African bureaucrats with an important discretionary power, which makes them both the instruments and the profiteers of this system. The rents accruing from this power are responsible for huge distortions in the processes of service delivery, and account for an important loss in the quality of the services provided, especially in education. The third type of dysfunction results from the use of public employment and wages as a means to reward loyalty and to recruit fellows regardless of effectiveness in terms of service delivery to ordinary people. This policy has structured the internal environment of African bureaucracies, and has exacerbated the ethnic and regional polarization of African societies.

As this article argued, the technical reforms that have taken place over the past few decades have done nor close these gaps –to say the least–, but administrative decentralization may have more impact, given that it provides for the redistribution of power consistent with poverty reduction goals, especially through service delivery. While the potential benefits of administrative decentralization may be considerable for poverty reduction, this reform may not be easy to implement. The implementation phase of administrative decentralization will particularly raise difficulties since politically powerful groups will find it threatening for their interests. They will likely seek to resist it, just as traditional primary school teachers in Burkina Faso opposed the satellite system of basic education. This suggests that administrative decentralization will need to be accompanied by a cautious recasting of incentives. In contexts of limited conflicts, performance-contracting schemes will likely be practical frames for devising these incentives, but it is harsher opposition to administrative decentralization that will likely occur when this reform will come to question vested interests on a large basis. Then, the effectiveness of performance-contracting schemes will be limited, and devising innovative solutions required. Such innovations will include, among others, the change in the way international financial organizations view their reform interventions in their client countries.

So far, the Bretton Woods organizations' approach has rested on the principle of minimizing interventions in contexts of conflict and institutional crises. This reluctance to engage in contexts of conflicts has nurtured an attitude consisting in waiting until the restoration of institutional stability before intervening. By seeking to 'adjust' already stabilized institutional environments, these organizations had to overcome rigidities and to face the resistance of newly emerged interest groups, whose social positions and benefits were threatened by these interventions. This resistance has been so challenging that the bulk of the institutional reforms of the past two decades have achieved technical changes and capacity building instead of real institutional changes. To be successful, decentralization reforms will likely require the revision of this approach, and changes in both conceptualization and strategy of institutional change will be necessary. Bretton-Woods organizations will need to end the conflation of institutions (the rules of the game) and organizations (the players) on the one hand, and of the goals (institutional reform) and the means (capacity

building) on the other hand, and to recognize that periods of socio-political crises are typically moments when genuine institutional changes take place, as increasing evidence shows. Progress in this area will require that more attention be paid to the trade-offs between risk minimizing and effectiveness of reforms, instead of considering risk minimization as costless in terms of missed opportunities for genuine institutional change. Accordingly, emphasis on the need for strategies aimed at institutional changes to be staged during such periods will also be required. By the same token, required changes will likely be organizational as well. Among others, the clarification of the separation of public sector management and capacity building units from those devoted to institutional building will be necessary. Eventually, blending institutional reforms and conflict management and/or post-conflict reconstruction will be critical as well.

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