

Accountability And Policy Dialogue

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1.0. Introduction

Aid has a critical role to play in the attainment of the Millennium Development Goals in many developing countries, especially when it is deployed effectively in an accountable manner as part of a wider development strategy; it makes a lasting difference in helping people to lift themselves out of poverty. Of key importance to aid delivery and management has been the issues of accountability and policy dialogue.

Accountability is now a buzzword in contemporary development discourse. It is central to development policy, whether government accountability (as a central component of good governance), corporate accountability (promoted by a swathe of standards and codes), or civil society accountability (claimed by people and organizations from the bottom up). When accountability works, citizens are able to make demands on powerful institutions and ensure that those demands are met. The concept of accountability describes the rights and responsibilities that exist between people and the institutions that affect their lives, including governments, civil society and market actors. Accountability is not only the means through which individuals and organizations are held responsible for their decisions and actions, but also the means by which they take internal responsibility for shaping their organizational mission and values, for opening themselves to external scrutiny and for assessing performance in relation to goals. Accountability has beneficial effects not only for an organization's stakeholders, but for the organization itself. In practice, accountability can take a number of different forms, depending on the institution in question. The purpose of the 2005 Paris declaration on Aid effectiveness is to improve aid delivery in a way that best supports the achievement of the Millennium Development Goals by 2015. It highlighted the importance of predictable, well aligned, programmed, and coordinated aid to achieve results. One of its five key principles is mutual accountability in which donors and developing countries pledged that they will hold each other mutually accountable for development based on the other four principles of Ownership, Alignment, Harmonization, and Management for Results. The Paris Declaration emphasizes accountability in relation to parliament and other domestic stakeholders which can only be feasible with effective structures for dialogue.

2.0. Accountability of international financial institutions and donors -the Issues

International financial institutions and donors have been consistently criticized for using aid to further their own interests. The current patterns of accountability in which donor agencies hold recipients accountable, and are in turn accountable to their own taxpayers must change. Donors continue to use unfair, undemocratic and inappropriate policy conditionality, in a way that skews recipient accountability away from the citizens of poor countries. The civil society message has been loud and clear-that this- 'one-way' accountability should be replaced by a system of genuine mutual accountability, which balances the legitimate interests of donors, recipients and, most importantly, poor people. In this regard, civil society continues to monitor whether international financial institutions and donors use aid for their own purposes or for primarily reducing poverty and promoting development. Although a number of international financial institutions and donors have released policy statements indicating their renewed commitment to poverty reduction, aid continues to be strongly determined by other interests. Studies undertaken on behalf of organizations such as the African Forum and Network on Debt and Development (see www.afrodad.org- Chipeta Chinyamata (2005) The Politics of the MDGs. The Case of Malawi, Research Report presented to AFRODAD, 2005) and the CIDSE network www.cidse.org of the Catholic agencies have come to similar conclusions. Refer also to www.realityofaid.org/roa2004/2004report.htm and Oxfam Briefing Paper No. 103, 'The World Is still Waiting: Broken G8 Promises are costing Millions of Lives, Oxfam International. It is commonly held by civil society organizations and independent analysts that donors are not accountable to recipient governments, and neither donors nor recipients are really accountable to poor people. This lack of 'downward' accountability contrasts sharply with donors' excessive demands for 'upward' accountability. Donors have made numerous pledges to improve both aid quality and quantity over the past three decades. Yet these commitments have rarely been fully implemented, and in too many cases remain shamefully neglected. Similarly the lack of progress towards meeting donor commitments on aid quality is matched by donors' reluctance to be held accountable for results. Some donors have also rejected accountability mechanisms at the country level. In Tanzania, for example, key bilateral agencies prevented the naming of individual donors by an independent monitoring team reporting to the World Bank Consultative Group meeting. Civil society organizations (CSOs) especially those under the umbrella of the Make Poverty History campaign are united in their call for donors to be accountable by first meeting their 0.7% of their national income in aid within the framework of a set timetable (www.makepovertyhistory.org). To this end others have requested annual national multi-stakeholder reviews of donors' impact to be encouraged. The other CSOs call for donor accountability has to do with reforming other areas of policy which are currently discriminating against poor countries in the global economy. Civil Society organizations note that aid packages often come with strings attached which mars progress towards the Millennium Development Goals in poor countries. Much of aid and loans from provided by the IMF and the World Bank is conditioned on recipient governments opening markets, liberalizing trade, privatization or deregulation. Such conditions have often included cuts to health and education and requirements that citizens pay for these services. In the spirit of policy dialogue, accountability and partnership, civil society has called upon donor countries and international financial institutions to abandon such practices in favour of promoting ownership and increased aid effectiveness. The logic is that externally set criteria makes it difficult for Southern governments to be accountable to their own people, they become more externally accountable, diminishing national dialogue and ability to determine policy on basis of local needs and the needs of the poor. Suggestions have been made to have new approaches to aid delivery such as program based approaches (PBAs), sector wide approaches (SWAPs) and direct budget support as opposed to project support which is

difficult to track and ensure accountability. One could also make the opposite argument that budget support is generic support to a government's overall priorities with numerous conditionalities and is thereby difficult to trace lines of accountability, while project support has clearer fiduciary standards and more limited results and therefore more accessible in terms of tracking and ensuring accountability in principle. However, because they are disparate and numerous they are less amenable to holding donors accountable collectively. If donors are serious about promoting accountability, dialogue and making an effective contribution to the fight against poverty they must radically improve the quality of their aid. Failure to target aid at the poorest countries, runaway spending on overpriced technical assistance from international consultants, tying aid to purchases from donor country's own firms, cumbersome and ill-coordinated planning, implementation, monitoring and reporting requirements, excessive administrative costs, late and partial disbursements, double counting of debt relief, and aid spending on immigration services all deflate the value of aid. To this end, Action Aid International has called for a new International Aid Agreement to make aid real and accountable, with four key elements (a) Clear policies from developing countries on the criteria for accepting aid (b) Mutual commitments in place of one-sided conditionality, that are monitored transparently at the country level (c) National and international forums where donors and recipients can review progress on an equal footing, overseen by a UN Commissioner on Aid (d) New mechanisms to substantially increase the volume and predictability of aid. There is need to take advantage of dialogue opportunities offered by the Paris Declaration to raise the question of North-South accountability; to advocate for innovations and alternatives; and to define the role civil society should play in relation to the Paris Declaration based on their understanding of citizenship and the rights of poor and vulnerable people. To this end, Southern CSOs have insisted that their Northern counterparts place the issue of mutual accountability and mutual responsibilities on the international agenda. They also lobbied their Northern counterparts to play more active roles in holding their own governments more accountable. Accountability is regarded as expensive and time constraining. Governments find it difficult and expensive to consult the broad masses. There is the need for institutions such as the World Bank to allow respective governments to have ample time to involve citizens in the preparation of macroeconomic policy documents such as the PRSP in Africa. In practice donors project local ownership most easily into the PRSPs, yet these though regarded as national development strategies are not actually seen to be nationally owned and participatory. In Zambia for instance, getting another national development plan apart from the inadequate PRSP is something the government has acknowledged. PRSPs could have engaged a wide spectrum of stakeholders but the acceptance of their input into strategies for different sectors was limited and discussions on the macroeconomic framework that affect the viability of these strategies remained off-limits. In essence, the PRSPs in most African countries were assumed by both the ministries of finance and IFIs to help better target government expenditure, but not necessarily to offer new insights into macroeconomic policy especially monetary and fiscal policies. Without significant reform of the World Bank and the IMF, donors will fail to take into account the value of local knowledge and of locally determined appropriate policies that may contradict current "wisdom" in these institutions. Mutual accountability in the context of highly unequal power between donors and recipients requires commitment to fundamental reform of the international financial institutions. Otherwise developing countries continue to have no say on IMF and World Bank priorities and their development policy blue prints. On the other hand, people in developing countries can be apathetic because when they feel that government systems are fraudulent and this raises the problem of leadership to the fore.

3.0. Accountability of Governments and CSOs-the Issues

While some tensions remain between the CSO community at large and governments, especially in the South, we are witnessing a steady shift in the attitudes of both the government and civic groups. Each, at long last, is recognizing the critical and indeed, legitimate role played by the other in achieving consistent, sustainable long-term development. (See For the sake of accountability and other reasons, there is a growing realization that civil society needs to engage more determinedly, government officials, donors, politicians and parliamentarians. This reduces opposition and increase support and accountability for national, regional and global policies; it works for greater burden sharing of the cost and benefits of policy. For effective aid delivery, ordinary citizens have to be involved not only at implementation stages, but also at the initiating, evaluating, monitoring and institutionalization stages. While in the North civil society engages intensively with the state on policy matters, in the South civil society –government policy engagement is very limited and when it occurs civil society has in the main been weak in its capacities and strategies for engagement. Executive policy making processes are not easily accessible and consequently there is very little public engagement. Thus, there is a heavy reliance on conferences, workshops and seminars as means of participation in policy dialogue. This then restricts the engagement to the middle class (from mostly NGOs than community based- groups) and the challenge is how to give the poor a voice. It must be conceded that there are weak institutions, mechanisms and structures for public participation in decision making in the South. Problems of CSOs budget tracking relates to lack of information which government normally refuse to divulge under its confidential materials. This makes CSOs tracing of budget expenditure difficult. In other cases, citizens have united to demand improvements from the government in response to poor services or improper use of funds. These "social accountability" mechanisms exist in various forms, and have succeeded not only in calling attention to corruption, but in increasing transparency and access to information. Uganda, Bolivia, and Ecuador offer some of the best known examples of social accountability. These models arose or gained strength out of the debt relief movement, and have influenced government approaches and empowered citizens to demand change. The Uganda and Bolivia PRSP processes, required to access debt relief, mobilized civil society and enabled citizen input into the government process. In Uganda to enhance the process, the Ministry of Finance formed a Civil Society Task Force. The Uganda Debt Network (UDN) led the Task Force, which coordinated feedback through a variety of community, district and national level mobilization efforts. UDN and the CSO Task Force facilitated input by synthesizing complex issues to a level that could be understood and debated by the general public. The participatory nature of the poverty assessments is credited with enlightening the government's

understanding of the circumstances of the poor. Two elements in particular have influenced government decisions. With support from donors in Uganda – including Catholic Relief Services, UDN has also used the opportunity to mobilize grassroots groups more broadly against corruption. Recognizing that combating corruption depends in large part on raising public awareness, UDN has also enlisted drama clubs to prepare short plays, songs and poetry about corruption and its impoverishing effects. Working with the media, they organized two popular weekly radio shows in which listeners call in to debate corruption issues, offer their experiences and discuss possible solutions. Finally, UDN has paired with elementary schools to include accountability issues in school curricula, and linked with universities to increase research into corruption. Civil society involvement has clearly influenced government approaches to poverty reduction and helped to tackle corruption. However, civil society is often weak and disorganized, and lacks both the capacity and financial resources to expand and professionalize their interventions. Some CSOs are currently studying lessons learned from recent experiences in order to address weaknesses and build skills. Civil society organizations also need to increase their own understanding of complex issues which have not traditionally fallen in their domain, including macro-economic policies, budgets and budget cycles, as well as advocacy and representation. Unless these are addressed, public dialogue remains far from ordinary people and many civic organizations. Governments concerned about corruption normally fail to establish transparent laws, regulations and procedures, including those related to procurement and access to public information. Governments in developing countries normally fail to engage media to disseminate important information, especially related to budget allocations and financial transfers. Governments in the South are very skeptical of media when it comes to fighting corruption and transparency. This could be because some corrupt officials fear been exposed in the process and also the general feeling that a western controlled media often makes news when it is demonizing officials in the developing countries. The mere absence of formalized mechanisms for citizen participation is another big capacity flow on the governments in recipient countries.

See also ‘Round the Table – A Review of Civil Society Participation in aid by J. Richmond and R. McGee, October 1999; Christian Aid (2001) Ignoring the Experts: Poor People’s Exclusion from Poverty Reduction Strategies Gould, J. and J. Ojanen, Merging in the Circle – The Politics of Tanzania’s Poverty Reduction Strategy, Institute of Development Studies, University of Helsinki, Feb 2003 or World Vision (2002) Masters of Their Own Development?: PRSPs and the Prospects for the Poor, World Vision 2002. While CSOs see the need to engage governments more effectively, there is always distrust on both sides. What is considered good ‘evidence’ by CSOs is frequently seen to be lacking in rigour and credibility by policy makers, and CSOs policy recommendations are often regarded as naive and impractical. CSOs feel the policy space they are invited into is not central to policy making, and that their involvement is not taken seriously. It is therefore crucial for governments to give CSO views a chance and at the same time CSOs need to build their capacity to generate and use evidence that will be considered constructive and compelling by policy makers, and to develop better political skills to ensure they engage in the right debates, if they are to play a meaningful role in making the state more accountable to people. In view of the far-reaching international implications of the Paris Declaration, civil society actors in the South should take the opportunity for dialogue to push for more vigorous participation on the part of societal stakeholders as well as improve the potential for accountability and civil society control. Historically, the macro-economic philosophies and aid modalities adopted in most countries of the South have not delivered the promised dividends. Debilitating conflicts and in some instances liberation struggles in these regions have set back the advancement of democratic governance especially issues of accountability and policy dialogue.

International financial institutions, donors and governments; and mostly with the exclusion of the citizens have negotiated how to move these countries forward. Unfortunately, either by default or intent they have adopted what has been known to be neoliberal policies (i.e. free market approaches, privatization, deregulation etc) which have not helped the countries to come out of poverty. This has to large extent exacerbated poverty and compounded the daunting development challenges. (I sympathize with these points but you may find you need to make reference to the literature to back this up!) Therefore, there is a need to ensure that recipient government- to-donor partnership accountability is not going to remain a strain on accountability of recipient government to their respective stakeholders. Civil society actors often find themselves having to play the important watchdog and accountability roles for states to implement and operationalize people-centred and friendly protocols, treaties, declarations and the like. This requires capacity building and the strengthening of the CSOs’ negotiation skills and familiarization with the relevant protocols treaties, declarations and canvass for the implementation and operationalization of these instruments including the Paris declaration. Improved governance and government accountability are both acknowledged in the Paris Declaration, but there is little to suggest how these objectives might be achieved, beyond the establishment of ‘results-oriented frameworks’, and social empowerment of the poor and underprivileged. This includes holding governments and donors to account for aid effectiveness from a beneficiary point of view. Within this framework, North-South CSO partnerships have a role to play in governance and accountability mechanisms in states that have weak systems in these areas. And they have an important role to play in failed and fragile states in humanitarian assistance, peace building, reconstruction, and strengthening civil society.

4.0. Accountability and Policy dialogue Issues among CSOs

Civil society plays a critical role in achieving aid effectiveness and the Millennium Development Goals, both in the field and at the policy level. While it is critical for civil society to promote accountability, it must be acknowledged that for CSOs to demand the accountability of others, especially governments and donors they must be, first and foremost, be accountable in all their operations and activities. Civil society accountability mechanisms should enable its leaders and organizations to identify and adequately relate to its stakeholders. Accountability within civic groups normally touches on both internal and external accountability. Internal accountability deals mostly with staff and board responsibilities;

relations and communication. External accountability is more important to aid effectiveness as it deals with relationships with partners, government, donors, peers, international organizations, and constituencies. Dealing with all these different accountability claims may be extremely difficult, and where stakeholders have different or contradictory interests, being fully accountable to all of them is impossible. One World Trust has presented CSOs' web of accountability, they suggest that CSO lines of accountability should run "in four directions: upwardly to donors, governments and foundations, downwardly to beneficiaries (those that services are provided for or on whose behalf an organisation claims to speak), inwardly to an organisation's own staff and mission, and horizontally to peers" (Kovach et al 2003 in Wild 2006:11. The Wild reference is available at www.globalpolicy.org/ngos/intro/general/2006/04strengthening.pdf). So accountability may constitute a challenging problem for CSOs because of the very nature of the sector. Nevertheless, since civil society organizations work on issues of the "public good", they are first and foremost accountable to society. Corruption scandals, although isolated cases, have challenged the bases for civil society legitimacy and claims of representation. (Refer to www.ingoaccountabilitycharter.org/governance-and-management.php) Another area of accountability concern has been the North-South relations especially the need for Northern CSOs to be accountable to their Southern partners. There is need for Northern CSOs to demonstrate that they are demand-driven and are responding to the needs and capacities of their Southern partners. Relationships should be grounded in fundamental principles of good governance and human rights with an emphasis on inclusion, accountability, accompaniment, freedom to advocate, and effective participation as agents of development. On the side of the Southern CSOs there is need to guard against dependency and accountability that focuses on the vertical relationships with the funding partner at the negation of the horizontal relations with the beneficiaries at the grassroots level. This happens mostly when a Northern partner assumes a control function, forcing the Southern partner to become donor driven and shifts all its accountability towards the North and away from its own stakeholders. Inconsistent and incoherent policies on the part of donors have to a large extent made policy dialogue and accountability difficult. Conditionalities stressed by donors especially on governance matters causes recipient countries to account to them at the expense of accounting to their citizens. (see also Reality Check January 2007 by the Reality of Aid Network on www.realityofaid.org). Too much aid is project-based, according to the donor's priorities rather than those of recipients - and so on. Aid quantity is insufficient while its "quality" is not good enough and the, the transaction costs of aid are still too high. However, as I predicted three years ago, there has been a paradigm shift in the partnership between Africa. Involving reciprocal obligations over the long-term, monitored relationships and commitments could be a significant new mechanism to improve the effectiveness of aid and give added confidence to the development relationship. The Overseas for Development Institute noted some key accountability areas that need to be clarified when organizations enter into a partnership. These are (i) access to timely and accurate information; (ii) terms of engagement; (iii) the legitimacy of engagement/partnership; and (iv) procedural review and evaluation mechanisms. North-South CSO partnerships should strengthen developing country CSO capacity to make the voices of marginalized groups heard and to influence policy. This contribution reinforces the various programming instruments and strengthens government, as well as public and private sector participatory democracy. In this regard, accountability is perceived as the driver of integration and empowerment, enabling Southern CSOs to find ways in which to cooperate, network together and increase their influence. Information dissemination in civil society can enhance or tarnish the image of organizations. At times organizations can be reluctant to disclose their sources of support if they sense this will work to their detriment. Due to the various hostile environments that most CSOs operate within especially in the South, (Refer to CIVICUS Civil Society Index on "enabling environment" on www.civicus.org) most organizations are not clear of what laws apply to them. This is particularly problematic when national legal systems do not facilitate the institutional development of CSOs and offer contradictory regulation. In improving external accountability, civil society organizations need to communicate their vision of change and report to society. However, it is important that powerful stakeholders, such as donors, do not influence the vision and mission of the organizations they support. Generally, accountability within the civil society should be understood as a positive enabler, rather than, as a matter of formal compliance with externally imposed obligations.

5.0. Suggested Issues for discussion

1. How can Southern governments and civil society hold Northern governments accountable within the commitments of the Paris Declaration?
2. Do Northern CSOs transmit their own "conditionalities" in their aid relationships with Southern CSO counterparts, while critiquing donor practices in this regard? Is it possible for North-North tensions about where to focus resources to be exported to the South as they experience difficulties in finding Southern partners?
3. Considering that Sector-wide approaches and budget support are becoming very important modalities for channeling aid, how can CSOs ensure that increased donors' influence over Southern governments and on national policy-making processes remains accountable to the citizenry? and Is there any accountability-checks and dialogue space left for civil society contribution to shape policies as well as offer alternative development models?
4. Critically discuss the North to -South CSOs funding mechanisms and power relations within the context of ensuring mutual accountability?
5. From the content perspective, what do we understand exactly by the term accountability? The right to demand accountability? How can we best promote it within the aid effectiveness agenda? Who assumes what responsibility? Where do we draw the line between (economic) policy interference on the one hand and ineffective or even counterproductive support for incompetent or dictatorial regimes on the other? To what extent should the state provide an account of its actions, and consult citizens prior to taking action in order to enforce rights and responsibilities. Focus on here on three aspects:
 - a) technical aspects. i.e. information and statistical data- the system for collection and dissemination; type of information shared (who can use it and how critical is it is to people making demands for accountability ?), administrative

competencies etc.

- b) political aspects (i.e. Is there guarantee of ownership and participation? Accountability within government, parliamentary control of the executive; scope for civil society action, promotion of citizen-led accountability initiatives etc.)
- c) economic aspects (e.g. framework conditions for private investment; taxation system; fiscal discipline; trade liberalisation etc.).

6. From the formal sense, what is the purpose of accountability within the aid effectiveness agenda?), there are basically two aspects to consider:

- a) Institutions (e.g. civil society autonomy and freedom of operation, an independent judicial system, functional government departments e.g. Auditor General's office, parliamentary responsibility for the budget, legal framework for freedom of the media etc.)
- b) Government behaviour (e.g. government programme, concrete policies, corruption, exemption from punishment etc.)

6.0. References

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