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# **BENIN DEMOCRACY AND GOVERNANCE ASSESSMENT REPORT**

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The views and recommendations expressed in this report are solely those of the MSI Assessment Team and are not necessarily those of USAID or the U.S. Government.

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## **Executive Summary**

This DG Assessment represents a “hard look” at the state of contemporary politics in Benin. Well aware of the important progress that Benin has made over the past 14 years, the assessment team has consciously embarked on what we hope is a critical analysis of the current challenges facing Benin in the democracy and governance arena. We concentrate most of our efforts on the identification and analysis of issues that threaten democratic consolidation in Benin and, in doing so, may sometimes neglect the positive trends that are also evident. Given the mandate of the assessment team however, such an approach seems warranted. In order to assist USAID/Benin in their ongoing strategy development process, a realistic examination of the challenges that Benin faces is deemed essential.

### **Analysis**

Benin has witnessed important democratic achievements over the past 14 years. These include the establishment of a state that largely respects basic rights and freedoms; a recent history of credible elections with relatively high participation rates and consequently a high degree of government legitimacy; an example of a peaceful alternation of power between opposing political camps; and the establishment of the basic legal framework for democratic governance.

At the same time, Benin faces important future challenges, among them: Constitutional changes and succession politics seem to consume much political energy today, with the two major political figures over the past decade and a half poised either to retire or to make fundamental changes to the constitution to extend their political lives. The realization of decentralization has a number of implications for good governance, fiscal responsibility, and increased political competition. A reduction in the level of corruption in public and economic life as the credibility of the state rests in the balance and mismanagement threatens the basic capacity of the state to function. Finally, the overwhelming need for sustained economic growth whose benefits reach the increasing number of poor in the nation will inevitably be the key to Benin’s ability to maintain and improve the quality of democratic governance into the future.

### **Primary findings**

One of Benin’s most serious political challenges today is a political system that fails to systematically sanction corrupt practices on the part of political elite and their cronies. Thus we see both high levels of corrupt practice in government and limited political will to deal with the ramifications of these practices. This problem is rooted in a number of fundamental weaknesses in Benin’s democracy, the most important of which are limited effective competition throughout the political and economic system (perhaps *least* in the electoral arena, but there too), which does not offer real political and economic options to

a poorly-performing public sector; a near-total lack of accountability to the law, especially on the part of those in the public sector; and the increasing inability of the public sector to deliver basic services and security to the public.

### **Strategic Recommendations**

A broad strategy to address the weaknesses of democratic governance in Benin is fully warranted, but not possible in light of severe restrictions on USAID's available resources. Even with these limitations, however, the fact that corruption and related issues of transparency and accountability lie at the nexus of so many of Benin's problems provides an opportunity to craft a manageable strategy that draws on and reinforces the Mission's work in all of its development sectors, while at the same time addressing a core DG problem. The broad outlines of this strategic approach are as follows:

- ❑ Aggressively build anti-corruption, transparency and oversight work into sectoral programs, particularly at the local level;
- ❑ Make the most of relative donor influence in Benin by building a unified, strong donor and diplomatic front to support reform in the anti-corruption arena;
- ❑ Develop benchmarks or other measures of independence and effectiveness for national-level institutions (such as supreme audit institutions) to provide ongoing assessments of independence and political will;
- ❑ Integrate women and women's organizations as important allies in anti-corruption efforts;
- ❑ Design programmatic responses that account for challenges in the decentralized governance context, focusing on both the risks of *decentralizing corruption* and the opportunities for more direct public oversight at the local level.

## Introduction

Benin has emerged as one of the most promising examples of political liberalization in West Africa since its successful transition to democracy starting in 1990. A pioneer in the use of the national conference to bring together the primary actors in politics and society, Benin has been able to establish a fundamental consensus on the broad outlines of democratic governance and put in place the major institutions of governance over the past decade and a half. Nevertheless, and according to a large number of Beninese interlocutors, there are many problems that plague Benin in the governance sector including:

- *l'impunité totale est partout* – “total impunity reigns...” • *Les textes sont là, mais ils ne sont pas respectés.* – “The laws are there, but they are not followed.”
- *Il y a un manque de volonté politique...* – “There is a lack of political will...”
- *l'argent est devenu la référence* – “money has become the referent”
- *C'est un système 'mafieux' qui dirige l'Etat.* - “A ‘mafia’ system controls the state.”
- *Les bailleurs de fonds doivent...* - “The donors must...”

The “*radio trottoire*” in Benin today is alive with references similar to those above. During the assessment team’s brief but informative stay in Benin, we were struck by the level of consistency with which these themes emerged in a variety of contexts and from a host of interlocutors across the political and sectoral spectrum. The quotes capture the primary themes and findings of the assessment report as summarized in the Executive Summary above and detailed in the report below.

Impunity and failure to follow existing legal mandates are twin complaints and represent a pathology that seems to be rapidly spreading in Benin to infect the entire political system. As political favor and economic power become intertwined, the view that a mafia controls the state is beginning to weaken the credibility of the government, and in turn state capacity to deliver services. Relationships between the governed and political power holders are enfeebled, and the interests of mass publics are increasingly ignored by politicians in favor of the interests of a privileged few. Democratic governance practiced under these conditions is unable to deliver basic services and effectively reduce poverty, and does not contribute to the expansions of freedom which have been tied to democratic renewal and reform in nations experiencing the “3<sup>rd</sup> wave” of democracy. One symptom of the sickness of government incapacity is manifest in a constant refrain that the donor community must do something to right the situation. “The donors must...” is interpreted by our team as a clear indication that the state is not living up to its proper role, and indeed that Beninese leaders are broadly perceived as lacking vision and will to improve the situation on their own.

On the part of the administration, there is a palpable feeling that donor efforts are needed to provide sufficient resources to allow the state to provide adequate public services to the population. On the part of many in civil society, donors are seen as significant – if not preeminent – guarantors of the political rules of the game, as a counterbalance to the predatory tendencies of the state, and as an important force to instill “political will” in sometimes

reluctant leaders. The view that donors must act seems a manifestation of governance malfunction while at the same time it certainly signals an important window of opportunity for positive engagement at a critical political moment for Benin. While Benin has been a pioneer in democratic reforms in the region over the past 14 years, it faces serious challenges today, challenges that USAID can help to mitigate with a focused strategy and committed partners for political reform.

This report aims to lay out the terrain that defines contemporary politics in Benin today and describe the role and interests of some of the most important political actors. Further we provide a discussion of factors that impact USAID assistance choices including the roles of other donors and USAID's own constraints. Finally, in light of the analysis, identified challenges and their linked needs, we lay out a set of strategy recommendations to guide USAID/Benin's programmatic approach to basic DG issues across the USAID/Benin portfolio and over the coming strategy period.

# I. Benin's Contemporary Political Context

## Historical Context

Benin's opening to democracy and free-market economics in the early 1990s was a dramatic shift from an almost unbroken string of autocratic regimes and highly centralized economic systems that stretch back to the Dahomey kingdom in the 1600s. Many of the country's current governance challenges can be traced to the disconnect between Benin's new, liberal democratic constitution and the lingering socio-political effects of autocratic government on the country's political class and other elements of Beninese society. Similarly, despite favorable growth rates for more than a decade, Benin's economy remains focused on a few key industries, and efforts to privatize state businesses have been undermined by corruption and mismanagement. These factors have limited Benin's ability to translate economic growth and political liberalization into rising living standards for the vast majority of its people.

Despite these challenges, certain aspects of Benin's history lay the foundation for a pluralist democracy and may contribute to a more competitive and open economy over the long run. The unique dynamics among Benin's ethnic groups encourage competition and inclusion in the political system, and the multiplicity of parties both reflects these dynamics and mitigates against historic patterns of ethnic polarization and conflict.





## **Autocratic Government & Centralized Economy**

In modern times, Beninese political leaders have drawn inspiration and legitimacy from the old Dahomey kings and the mythology that surrounds them. One recurring example is the *calabasse trouée*, King Guézo's metaphor for state power: a gourd with many holes in it, which can only remain effective if all the people of the kingdom contribute to holding it together. However, this image of popular solidarity contrasts sharply with the spectacular brutality with which Guézo and the other kings of Dahomey actually ruled. For hundreds of years, Dahomey was essentially a military dictatorship supported by the profits of the slave trade and legitimized by the king's mystical claims to divine power. As with Louis XIV, the king embodied the state, and he maintained order by eliminating all enemies. However, when the end of slavery in the mid-1800s removed its chief source of financing, the Dahomey kingdom began a rapid decline, which ended with the French conquest and exile of the last king, Behanzin, in 1895. Ironically, the French chose to name their new colony Dahomey in honor of the destroyed kingdom.

As in most African countries, the French rulers of colonial Dahomey had two main goals: the maintenance of order and the production of raw materials. To accomplish these objectives, they created a highly centralized colonial administration and a tightly controlled, export-oriented economy. With few natural resources besides plentiful labor and a favorable climate, Dahomey's farmers were introduced to cotton in the early years of French rule. Cotton production gradually became the mainstay of the colonial economy. In addition, the French dredged a port at Cotonou and built road and rail links north to funnel goods from landlocked Niger and eastern Upper Volta (now Burkina Faso) to the sea. These patterns of economic activity remain firmly ingrained and to this day, cotton and the transshipment of goods are the twin foundations upon which modern Benin's economy rests. As in the colonial period, these industries are heavily influenced by external factors such as the weather, world commodity prices, and the political and economic situation in neighboring countries thus lending a boom-bust pattern to Benin's economic sector and providing ongoing evidence to many Beninois that external factors (Nigeria, donors, etc.) play a primary role in determining their well-being.

Dahomey became an independent republic in 1960, after a brief transition period during which the basic structures and principles of the French Fifth Republic were introduced to a society that had never known democracy. During the next 12 years, the country experienced dramatic levels of instability suffering six changes of government, including several violent coups d'état. This period is still within the living memory of many Beninese, and seems to serve as a constant reminder of the risks associated with political transitions. Memories of this period may act as a powerful force promoting compromise and discouraging the tendencies toward political extremism that have accompanied unsuccessful democratic transitions in some other African countries.

In 1972, Colonel Mathieu Kerekou took power and declared a Marxist-Leninist revolution, changing the name of the country to Benin. In an ideologically updated version of the centralized state so familiar to his countrymen, Kerekou concentrated all political and economic power in the presidency and politburo. All other political activity was outlawed, and most private and semi-private enterprises were fully nationalized. This period seems to have solidified a pattern of de-mobilization on the part of independent civil society in Benin and likely also continues to contribute to a sense of cynicism regarding the state and civic involvement on the part of large sectors of the population.

With financial assistance from its Eastern Bloc allies, the Kerekou regime undertook an ambitious expansion of the state into all areas of the country, reinforcing the legacy of centralized national government and the top-down tutelage based system of direct rule inherited from the French. As the years passed, Kerekou's political and economic structures became increasingly dysfunctional, and an environment of rampant corruption developed and spread throughout the bureaucracy that controlled the country. By the late 1980s, Kerekou's command economy could not sustain itself, especially as aid from the Eastern Bloc dried up with the fall of the Berlin Wall and the impending implosion of the Soviet Union.

In 1989, the system suffered a financial collapse triggered by the demise of the banking sector. As the government's financial situation weakened, civil society and especially independent journalists, though weakened by years of authoritarian rule, became bolder in calling for reforms. Local media began exposing corrupt practices and demanding changes, while other civil society groups, led by the unions and the Catholic Church, called for a full revision of Benin's political and economic structures. Bankrupt and faced with the potential of civil unrest, Kerekou agreed to convene a National Conference to assuage the public's concerns.

## **National Conference**

The National Conference was a pivotal moment in Benin's contemporary political history, where the "living forces of the nation" convened to transform the country from a dictatorship to a democratic government. On live television, the Conference participants began drafting a new constitution and a transitional arrangement for transferring power from Kerekou to an elected civilian administration. The conference attracted widespread political support from the Beninese public and key members of the international community. On the final day of the conference, Kerekou was obliged to accept the participants' recommendations and turn power over to the transitional government. Within months, elections were held in which Nicéphore Soglo, a former official of the World Bank, was chosen as Benin's new president.

The new constitution created a framework for a system of checks and balances based on the French Fifth Republic. A strong presidency was maintained, but the

new constitution reinstated a unicameral National Assembly and an independent judiciary, including a powerful Constitutional Court tasked with serving as a neutral arbiter in high-level political disputes and the High Court of Justice which is empowered to judge the President and other high ranking political officials. The constitution also created several independent authorities to serve as control mechanisms on the new system, including a High Authority on Audio-Visual Communications to guarantee freedom of expression and equal access to the media, as well as to enforce journalistic standards.

In the years following the Conference itself, the government convened several high-level national gatherings, known as the *Etats-Généraux*, to guide reforms in various governance and socio-economic sectors. While succeeding in creating a roadmap for future reforms, these meetings raised expectations that new laws and procedures would be developed and implemented with minimal delays. However, the reality of democratic processes has proven much slower than most reformers, and their allies in the donor community, had expected. Decentralization, for example, has proven to be more difficult.

## **Ethnic Competition and Partisan Diffusion**

Significant competition existed among the ethnic communities that inhabited what is now Benin even before the French invaded and colonized the area at the end of the 19th century. In the 1600's, leaders of the Fon people took advantage of the economic and military opportunities provided by the slave trade to construct a highly centralized kingdom called Dahomey. At its height, the Dahomey kingdom stretched from its capital at Abomey to the town of Ouidah on the coast, and across most of southern and central Benin. In addition, to the east of Dahomey, the Yoruba empire, based in what is now southwestern Nigeria, eventually spread into the area around Porto-Novo. Like the Dahomey kings, the Yoruba-led Oyo Empire extending to southeastern Benin, profited from the slave trade by capturing and selling off members of neighboring tribes.<sup>1</sup>

Although the Dahomey kingdom was destroyed by the French in 1895, and the British subjugated the Yoruba at about the same time, the legacy of ethnic domination and subjugation continues to impact politics in modern Benin. Historical rivalries persist between the Fon people and most of the surrounding ethnic groups, including the Bariba and Somba to the north, the Adja in the southwest and the Gon in the southeast. Most of these groups suffered greatly as a result of Dahomey's ascendancy during the slave trade, and their ancestors in contemporary Benin continue to regard the Fon with resentment and mistrust. Much the same can be said about the Yoruba in southeastern Benin – their fellow ethnics in Nigeria have contributed to the high degree of cross-border trade -- both legal and illegal -- between the two countries. Mistrust of Yoruba by other ethnic

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<sup>1</sup> See: <http://www.uiowa.edu/~africart/toc/history/giblinstate.html#yoruba> and <http://www.wsu.edu:8080/~dee/CIVAFRCA/FOREST.HTM>

groups is sometimes articulated and often framed in terms of questions about Yoruba loyalty to Benin.

While these ethnic and regional tensions have alternately flared and faded many times over the years, the leaders of the main political parties in contemporary Benin -- Amoussou, Kerekou, Soglo, Houngbédji, Fagbohoun, and Lafia -- each represent one of the major ethnic groups. The highest profile Fon in modern Benin (Soglo) has had difficulty maintaining alliances with the smaller, historically excluded groups in the south to counter Kerekou's northern-based political network. This may perhaps be explicable because of previous Fon engagement in the slave trade and their economic dominance for centuries. These dynamics tend to prevent one ethnic group from dominating politics in Benin, and currently provide incentives for smaller ethnic groups to create narrowly-based political parties, which in turn form wide-ranging and ever-shifting alliances, to compete in the political game. This diffusion of ethnically-based parties may help to explain why Benin's political system has not degenerated into a battle between north and south, as in neighboring Togo, Côte d'Ivoire, and to some extent, Nigeria. Notwithstanding, observers should continue to be aware of the potential for political misuse of ethnic affiliation in Benin, as the structural and historic conditions would not rule out this possibility in the event that unscrupulous politicians found incentive to engage in such mischief.

## **Current Partisan Configurations and Status**

Benin's current political spectrum is characterized by a large number of political parties and factions, estimated at about 120 in total, of which only five or six have any true political clout and independent electoral strength. This crowded playing field organizes into two amorphous groupings: the Mouvance Présidentielle (Presidential Movement, hereafter the Mouvance), aligned with Kerekou; and the Opposition, best defined as those not aligned with the current regime. Soglo, the mayor of Cotonou since December 2002, is the chief opposition figure. While the orientation of individual parties may shift between these poles over time, it is clearly patronage, in[?] the form of access to state resources, perquisites and positions, that serves as the glue holding each network together.

Kerekou's controversial re-election in 2001 marked the beginning of the consolidation of the diverse collection of financial and political supporters into what is now the Mouvance. Not surprisingly, the gravitational pull of the Mouvance has grown over time, leading some observers to fear that more and more public resources are being diverted for political purposes. Indeed, Kerekou's supporters captured a majority of local government in December 2002 and National Assembly seats in March 2003. Given the dynamics of money in politics in Benin, these victories further consolidated the Mouvance leadership's control over the political system, leading to the oft-repeated allegations that a well-heeled "mafia" actually runs the country.

Looking ahead to the 2006 presidential elections, a combination of age and term limits in the constitution would normally prevent both Kerekou and Soglo from running again. However, at the time of the team's visit, Benin's political class and civil society was in an uproar over a decision by the Information Ministry to tear down posters that had spontaneously appeared around Cotonou to protest against rumored constitutional changes that would remove these restrictions. When approached privately, nearly all of the assessment team's interlocutors expressed their resistance to such a change, regardless of their political affiliation or political capacity. Instead, they asserted the need for new leadership in 2006. These comments highlight lingering doubts about the resilience of democratic processes in Benin. They also underscore the extent to which the political system still suffers from the familiar African syndrome of patronage-based, personalized rule, despite the significant legal and institutional progress made in democratization.

## II. DGA Variables & Actors and Institutions

The use of the five democracy assessment protocol variables allows a systematic look at the political actors and institutions that populate Benin's contemporary political scene. The variables are not discrete categories; issues that appear in one often reappear in another. The team has tried to reduce repetition, but some bleeding between variables is useful when describing political reality. In fact, some degree of overlap serves to highlight issues of particular significance. Additionally, overlap captures the interdependent character of the various components of democracy in both theory and practice, thus providing a holistic view.

After examining the variables independently, we discuss their relationships and put forth judgments about first-order challenges to democratic consolidation in Benin. The most successful DG strategies take note of system weaknesses but build on strengths and opportunities that can ensure a positive impact on the democratic process.

### Consensus

Consensus is basic agreement on the scope and content of the political arena. The essence of democracy is *ordered competition*. Consensus issues address the space or terrain of politics as well as the basic rules of competition. State boundaries, issues of regional autonomy, and identity and rights of citizenship are first-order concerns in consideration of this variable.

Benin is marked by a relatively high degree of consensus on the basic shape of the political game and the arena in which it is played -- this seems true despite nagging concerns about the political will of the current leadership to abide by the rules of democratic politics. National boundaries are fixed and universal adult suffrage is widely recognized. There are no notable citizenship restrictions. The post-colonial

project of “nation building” has largely been successful in Benin with no notable exceptions. The identity attributes of citizenship in Benin are generally accepted even if citizen rights are not always respected and citizen responsibilities not always widely understood or fulfilled.

Benin today embraces a self-vision that emphasizes the democratic aspirations articulated by the National Conference and the Constitution of 1990 that emerged from it. Since the early years of transition from the military-led Marxist regime, the nation has remained largely united in favor of a vision of democratic governance marked by civil liberties and power exercised through popularly selected actors in transparent and responsive democratic institutions. Beninois are proud of their democratic accomplishments, and criticism of the state or political practice is often framed by comparisons of current action with an assumed democratic ideal. Thus Benin’s citizens seem to be largely united in rhetorical support of a variety of liberal democratic values.

The role of the military as a protector of national security distant from state power seems largely settled with little public sentiment that would support a return to power on the part of the soldiers. Given a history of military intervention in politics during the post-independence period, this represents important progress on the part of Benin and reflects a level of political maturity. The role of the military is tightly circumscribed in the constitution, and in practice, military officers or former officers do not populate high-level administrative posts in unduly large numbers. Thus, future military interference in political life seems unlikely in the short-run, and would only seem to be a concern in the event of a severe and sustained crisis of governance.

Even with a high level of consensus established on most of the central issues of politics in Benin, a complete analysis requires consideration of the fact that consensus is not a singular and fixed accomplishment for any polity. Instead, consensus must be cultivated and maintained in the face of potential threats. This seems particularly important for nascent democracies like Benin.

As noted in the Historical Context section above, as recently as the mid-1960s, within the living memory of today’s political elite, an important degree of national contestation, in particular a serious north/south regional divide, regularly threatened stability in the country. A history of regional enmity is not determinative of future problems; however, previous conflict is a major predictor of future friction points. If political institutions are constructed to emphasize regional differences, or political actors regularly mobilize support on the basis of such differences, previous patterns of mistrust and conflict could be re-ignited. While there is modest risk of this type of conflict taking place in the short term, patterns of North/South division in countries in the region similarly situated as Benin lead the team to sound a cautionary note. Observers should be diligent in identifying and tracking indicators that might allow for early warning if conflict friction points begin to heat up.

Another potential threat to the currently copasetic consensus could come from the effects of extended economic stagnation or decline. While economic growth rates have been healthy in Benin over the past few years, many note with dissatisfaction that development has largely been concentrated along the coast and has mostly benefited a relatively small number of business and political elites. Precisely because democracy allows for greater freedom of expression and public involvement in policy decisions, democratic systems that are not able to meet the economic needs of their citizens over long periods of time can be subject to instability. For the part of political elites and middle classes, they can often successfully organize powerful and vocal opposition calling for policy changes and even system changes if the system is not seen to serve the interests of citizens. In the case of rural and poorer classes, democracy can be starved of needed input if there is a sense that participation in local governance is meaningless or counterproductive. Patterns of escape, avoidance, or subversion of governance institutions tend to be the tools used by those who have less power. Some of these patterns are already visible in Benin today and should serve as a cautionary note for Benin's policy makers who need to productively engage with rural people in the creation of better life opportunities and the provision of basic social services. Support for democratic systems cannot be assumed or taken for granted. The current democratic consensus in Benin will only be enduring if it helps lead to greater economic prosperity and an equality of opportunity in access to the resources produced by the national economy.

## **Rule of Law**

Rule of law refers to the will and ability of a nation to enforce the rules of the political game. There may be consensus about the rules of the game, but without timely and consistent enforcement through judges, courts, statutes, lawyers, police, and informal means, there is no rule of law.

In Benin, the team found considerable reason for concern in areas related to this variable. There was constant reference to the fact that virtually all needed laws exist, and the courts are there to enforce them, thus indicating a perception of relatively few shortcomings in the formal structures of the rule of law. Nonetheless, there were also frequent references to the widely held belief that "*impunite totale*" marks legal and political life in Benin. The notion of total impunity was articulated equally by outside observers and critics of the government (CSOs, NGOs, and community organizations) as well as those who might have interests in being less critical, including representatives of the state, the judicial sector, and numerous donors.

If total impunity serves as one of the most pervasive themes encountered by assessment team, there were a number of iterations and examples provided, as well as a host of factors that seem to have contributed to the flourishing of this unhappy state of affairs. Misdeeds, inappropriate attribution of profit, and general inefficiencies that accrued to the benefit of a small cadre of individuals was said to

accompany the privatization of SONACOM, the state-owned petroleum company. A number of interlocutors indicated that public bidding and procurement processes are consistently misused to the benefit of high office holders. Some Ministers are said to have created shadow companies for the purposes of bidding on contracts let by their Ministry. Corruption in the forms of bribes and kick-backs at the Port of Cotonou are also widely cited. Overall, the team was left with the distinct sense that corrupt practices are widespread but that either legal or administrative reprisals are infrequent enough that most citizens have little confidence in the integrity of such sanctions. Because of its central importance of corruption to the findings of the assessment team, we have included an in-depth analysis of these issues in Section V below.

The functional capacity of the justice sector to administer the rule of law is not particularly strong. There are ample challenges involved in the enforcement of the rule of law. The judicial sector is generally under resourced in all areas, including insufficient means for recruitment and training of judges and too few and sub-standard court facilities resulting in limited access for a large percentage of the national population. Justice suffers from chronic delays in proceedings occasioned both by chicanery and legal maneuvers as well as poor case-tracking and document storage and retrieval systems. Investigations are hampered by limited technical capacity to and high costs associated with the collection, preservation, and production of evidence. The over-crowded status and poor conditions in prisons (one prison with a capacity to house 400 people was reported to currently have nearly 1,600 inmates) draws into question human rights of prisoners, though a new prison has recently been built to ease such cases of over-crowding.

One additional important factor that hampers the administration of the rule of law that was cited by one high ranking magistrate is a fundamental misunderstanding of the justice sector and its proper limits on the part of the public. An exaggerated sense of impunity can come from assumptions that it is a simple matter to come up with convictions for every accusation that appears in the media or comes to the attention of the public through rumors. It is not the case that this should be viewed as a cover or excuse for lack of action on matters where ample evidence does exist, but it was noted that even the most capable of justice systems are not able to convict every person guilty of crimes. If the system is functional, then this is not impunity, but rather the very heart of the rule of law. One critic however noted that in Benin, the rule of law is not threatened by common criminals, instead it is a privileged group who profit from most criminal activity. “If someone steals from the private sector, they get punished, but if the victim of the crime is the state, there is rarely recourse.” While the public may have an unrealistic expectation for the efficiency of the justice system, there is a palpable perception that the lack of efficiency is exaggerated when it comes to illicit gain on the part of those close to power.

Thus, considering the rather compelling list of institutional shortcomings, and taking account of the caution not to equate a “not guilty” verdict with a lack of accountability, it is nonetheless significant that most of the team’s interlocutors



agreed that the primary factor driving total impunity are related to a constellation of political considerations summarized by and leading to demonstrably limited political will.

Political will comes to the fore insofar as the accountability of the political leadership in matters of legal importance was repeatedly called into question. In particular the use and abuse of Parliamentary and Executive immunity provisions were cited as a major impediment to holding officials accountable for corrupt practices in procurement and use of state resources. Thus, even though there are both legal and administrative sanctions available in cases of misuse of state funds, punishments are rarely handed out to those who take advantage of their positions, precisely because they are able to hide behind manipulations of procedure, or failing that, rely on their political affiliations to protect them from punishment.

Other evidence provided that support the notion that political will is weak include reports of ministers and other high ranking officials who set up bogus companies that are then given lucrative government contracts, systematic use of contract kick-backs, multiple examples of work paid for but not performed and even more examples of sub-standard work. Further, the level of corruption in the Port of Cotonou and in the Customs service are both legendary, including one oft repeated vignette in which an official carried out a surprise inspection of Port workers and found in excess of \$35,000 that was not accounted for sitting in desk drawers, presumably that day's take from various bribes and pay-offs provided by those wanting to get their goods out of the port. The irregularities surrounding the sale of SONACOM, the cotton inputs affair of the 04 cotton harvest where one of the president's cronies did not follow purchase protocols and resulted in millions of dollars lost (Rodriquez), and the stolen car re-seller Ahmed Tidjani (currently on trial in Nigeria) are all examples of contemporary and possibly emerging scandals where legal actions on the part of the state has not occurred or was ineffective.

Another important aspect of the rule of law, emblematic in some ways of the issues that touch most citizens directly, is that of public safety. There is a sense that personal security is increasingly threatened in the major towns of Cotonou, Porto Novo, and Parakou with stories of car-jackings, muggings, and other violent crimes legion, including a car-jacking that occurred only days before the team arrived in the normally quiet Parakou. While some public officials asserted that Benin has not seen the kind of violent crime rates evident in neighboring Nigeria, for example, given the extraordinary level of crime there, it might be unwise to take comfort in such a comparison. The team also encountered an important number of interlocutors that asserted the existence of a "mafia" of drug dealers and other criminals who have given support to leading politicians and posit a relationship of official protection in return for political support. While it is difficult to establish a clear link between this shady group and particular political leaders, the existence of the "mafia" does not seem to be in doubt -- when mentioned by the team, it was not denied by any interlocutor. The extent of its reach is an open question though many believe that it extends to virtually all political figures of national clout -- if in fact

this is the case, it could represent a powerful incentive that mitigates against any potential for developing a political will for reform. Interlocutors most closely tied to the party in power tend to deny any level of implication and view the indiscretions of the so-called mafia as either an example of political blame on the part of the opposition, or when illegal activities are exposed, as a problem of law enforcement rather than systemic corruption.

The role and function of the supreme audit institutions (SAIs) is a final area of inquiry in the arena of rule of law, particularly given USAID's recent support of some of these bodies. As a guarantor of state compliance to basic norms of responsibility in the administration of public resources, entities such as the Chamber of Accounts (working under the auspices of the Supreme Court), the Inspector General's office (housed in the Ministry of Finance), and the Cell for the Moralization of Public Life (housed in the Office of the President) all have a potentially important role to play in strengthening the rule of law in Benin. It should be noted that the very existence of these sorts of administrative entities is a positive sign. By empowering these agencies of government with an explicit mandate to control and verify compliance to various policies, total impunity may be challenged. However, to the extent that these institutions' functions are impaired, neglected, or go unsupported, they can serve as another example of legal impunity, and their efforts, if politically constrained, may contribute to greater public cynicism. By declaring a war against corruption but not following through, the efforts are likely to be seen as formalistic and disingenuous. This eventuality decreases rather than increases public trust.

It is imperative for all the national audit institutions then to be able to function appropriately. Not only should the institutions be enabled by proper resources and capacity building efforts, but they should also closely interact one with another to assure the broadest contributions possible. To date, the national audit institutions do not seem to coordinate activities but rather the presumed mandates of each entity more often overlap or even contradict the efforts of others with turf battles just as frequent as cooperation. The formal status of the SAIs integrated mandates seem clear, but in practice, leadership disputes have often led to a diffusion of efforts rather than the intended reinforcement of legal and administrative procedure. The administrative logic of multiple institutions with similar mandates provides optimal value when such mandates are integrated and coordinated at a higher level. Without such strategic policy implementation capacity, a multiplication of entities does not necessarily translate into better financial management or more fiscal responsibility.

## **Competition**

Free and open competition for power based on popular sovereignty is perhaps the defining element of democracy. Free and fair elections (political competition) are critical elements of this competition, but other arenas are equally important: checks and balances in government (competition among branches of government),

democratic decentralization (competition between levels of government), economic pluralism and an effective private sector counterbalance to the public sector (economic competition), and public space for freedom of expression and civil society participation (competition of ideas and balance of power between state and society).

## **Political Competition**

Political competition in Benin is both a bright spot and a source of concern. In the electoral arena, alternation of power and the free (and extensive) creation of political parties have led some analysts to a relatively optimistic prognosis for the consolidation of Benin's democracy. Relatively stable electoral processes and a multiplicity of political parties certainly indicate that formal election exercises do not seem to be the main democracy challenge for Benin.

At the same time, many observers believe that recent elections represent "less than meets the eye." In reality, money dominates politics, and money is concentrated mainly in the state and with the people who support and benefit from incumbent power. Thus political competition is skewed in favor of incumbency and raises the opportunity costs of opposition. Benin's governance follows a common pattern in post-colonial African politics: a modified version of neo-patrimonial rule, the primary feature of which includes the concentration of economic opportunity emanating from access to and political control of the state. Patron-client relationships emerge from such a structure with economic benefit flowing to the political supporters of those in power. In Benin, the beneficiaries of the neo-patrimonial system are nearly all the political elite and their closest cronies (including the above described of corrupt power-brokers), with rank and file supporters actually accessing very modest benefits in exchange for their political support.

Further limiting the effective role of elections as an expression of political competition is the observation that the multiplicity of political parties doesn't reflect real political competition or competing political agendas, but rather the ability of a single person to gather some supporters for the purpose of gaining the attention of the major political competitors and exchanging political support for financial rewards and prospective government positions. Most political parties thus tend to reflect small ethnic or regional loyalties and serve the interests of the highest-ranking members, with few benefits flowing to adherents at lower levels.

For the present time, this arrangement has actually resulted in fairly diverse and regionally inclusive political coalitions, but at the same time, the lack of programmatic bases for political alliances always poses the risk that political competition can fall back on regional or ethnic alliances, especially if financial resources for buying broader loyalty are on the decline (which appears to be the

case give Benin's present economic scenario). To the extent that current electoral politics has been happily able to avoid the potential pitfalls of ethnic or regional polarization, this system has served Benin. What is not clear though is the extent to which this represents a sustainable path to consolidated democratic rule whereby large proportions of Benin's citizens have the capacity and incentive to participate in decisions that impact on their lives. Flowing from such participation is transformational socio-economic development that has equally escaped the grasp of the large majority of Beninese.

### **Balance of Power**

Beyond the electoral arena, the team found a number of systematic imbalances that challenge the notion of democratic pluralism in Benin. Of greatest importance is the dominance of the executive branch over other branches of government. It should be noted that Benin is a Presidential system modeled on the French Fifth Republic and as such it is by design "Presidential". The power of the executive is great in such a system, but in Benin, there are particular political configurations that combine to further emphasize the imbalance and may indicate areas where course corrections are warranted.

One striking finding of the assessment team was the virtual absence of the National Assembly as a relevant political player. The National Assembly was rarely referenced by our interlocutors, and when the team queried regarding it, many interlocutors expressed the view that the National Assembly had little practical political relevance or import. This is particularly troubling because this development seems to have been only recently evident, dating from the 2003 legislative elections which brought the Presidential Mouvanca into the majority in the National Assembly. Prior to 2003, the NA often provided an arena for vigorous debate and policy discussion between parties and with the Executive branch. Since that time, the role of the National Assembly in oversight of the Executive appears to have been constrained by the political exigencies of deputies themselves and the logic of the party system in which they operate. Because they are elected on a strict party list system, Deputies have little incentive to serve a representative function for constituents. Instead, the incentives are in place for them to serve the interests of the party leadership who put them at the head of the party list and effectively brought them to power to begin with. Thus, since the 2003 elections, the ability of the National Assembly to operate as a meaningful counter-balance to the power of the executive has been severely compromised, if not in principle, at least in practice. While it was not always the case that the National Assembly has been as weak as it now appears, the fact that it has rapidly become a minor political actor is an indication of core weakness in the system as well as the particular political alignments operating today.

In addition to the current political constraints under which it functions, the National Assembly also suffers from institutional capacity short-falls. Most deputies have modest training and experience in policy making as well as in their oversight

functions and are thus unable to effectively provide a balance of power to the executive. The National Assembly has budget autonomy but in practice, deputies have offered themselves attractive benefits rather than adequately staffing committees thus preventing research on proposals that emanate from the Executive. Under such circumstances, the National Assembly tends to serve as a rubber stamp for executive decisions and not as an effective counter-power enhancing institutional competition.

Important limits on judiciary power are also evident. Nominal independence of the judiciary is present in the constitution of Benin, but both administrative structures and a lack of resources hamper the ability of the judiciary to function independently. At the administrative level, the justice sector tends to be dominated by the Ministry of Justice. In many regards this is proper, after all the Ministry of Justice represents the power charged with facilitating the work of judges and courts by administration of state resources dedicated to this purpose. However, such a structure is not entirely consistent with independent function. To the degree that the Ministry uses its administrative power to assert authority over the legal judgments of magistrates, the balance of power is threatened. In at least one important regard, such confusion is evident. Judges told the assessment team that it is quite common for administrative sanctions to be used by executive branch personnel to avoid what could otherwise be legal culpability for misdeeds committed by those in government. By using recourse to administrative procedures rather than legal avenues, certain political figures (in particular Ministers, high ranking Ministerial staff, and NA Deputies) have all been able to stall legal proceedings that might otherwise be capable of bringing wrongdoers to justice. The role of a powerful Ministry of Justice in such a system seems to reinforce executive power rather than empower the justice sector itself as an authentic counter-weight or counter-balance to the executive.

Within the executive branch itself, there are also important impediments to competition. Overall, there is a sense in which balance of power issues and partisanship have been conflated in contemporary Benin. As described above in the our discussion of Benin's political context, the members of the presidential coalition, known as the Mouvance and the parties that form the Opposition tend to hold their respective coalitions together with little reference to policy differences, rather they are mutually defined as NOT the opposite coalition. Further, these differences reflect a division among elites between those in power (and able to access the goods of the state for political gain) and those not in power. Because access to state power has the principle effect of allowing political alliances to mutually benefit, the alliances are held together by these interests and not by agreement on an ideological orientation or even on particular policy positions. This dynamic has led to what might be construed as excessive partisanship that often seems to obliterate the public or national interest and sets up policy choices that are made with primarily partisan considerations in mind. Mouvance government officials seemingly rarely consult with Opposition figures fearing that to do so might result in some political advantage for the Opposition. Opposition politicians,

as well as critics of the government not allied with the Opposition are also prone to politicization of policy issues.

Overall, these patterns reduce the likelihood for real change through new thinking and new initiatives and tend to relegate reform efforts to individual and ad hoc events. For example, the former Minister of Finance was highly regarded for gains made in the arena of oversight, gains which came because of the strength of his personality and his ability to battle for reform. However, without institutional and systemic support for those reforms, the new leaders of this Ministry have struggled to maintain the pace and direction of reform. To the extent that political opponents can tag reform efforts, even honest ones, as evidence of previous Mouvanche incompetence, they often do so and thus provide a general disincentive for reform for those who do not carry sufficient political weight or stature within the government to move forward on their own. Some of these patterns are evident in limits on organs of control discussed in the Rule of Law section above.

Benin's colonial and post-colonial experience, like that of most former French colonies in the region, left an administrative legacy marked by centralization of state power. Even in the context of a seemingly major decentralization effort, the residual effects of a centralized administrative logic remain a strong current that influences patterns of governance today. A key question in terms of the effect of decentralization on competition issues is first, what is the actual intent of the policy makers in pursuit of decentralization? Some political actors as well as donors have begun to assert that the impetus for decentralization is effectively an artifact of donor pressure. A second, and perhaps more significant question is the impact of decentralization policies into the future, no matter the original intent of policy makers.

The first question is relatively easy to answer by reference to the central place that decentralization of state power played in the movement for democratic reform in Benin that brought about the transition from single party rule in 1990. It is true that there has been considerable donor support for decentralization in the intervening years, and it may also be the case that the shape of decentralization may well respond to donor exigencies. Notwithstanding, the basic notion embodied by decentralization efforts, that local communities should have more power to influence development in their communities, and that such power should be vested in more responsive local representative structures, is entirely consistent with the vision of those reformers who pushed for and eventually won democratic reforms in the early 1990s.

What are the likely impacts of decentralization efforts moving forward? This is a much more complicated question and at least two trends may already be evident. The first is the politicization of decentralization while the second is the phenomena of load shedding whereby the ministries give up important parts of the responsibility for various services without providing sufficient resources to the local

authorities.<sup>2</sup> Both of these trends might not bode well for the ultimate success of decentralized governance in Benin and its ability to increase competition between the central state and local governments.

Though decentralization risks politicization similar to that described at the national levels above, there is also a contrary political logic that may ultimately mitigate excessive partisanship. A potentially healthy competition between the centralized administrative power, as represented by the Prefect, and the local elected officials, as represented by the Mayor, was brightly highlighted for the assessment team. When asked to describe the relationship between the Mayor and the Prefect, an official in the Prefect's office in Parakou warmly outlined how the Prefect serves as a mentor to the Mayor and indicated that certain acts carried out by the Mayor need to be submitted to the Prefect to assure that they are carried out in accordance with the law. "Oh, on occasion there are minor problems about the timing of submissions and questions about when the Mayor's office is allowed to carry out actions, but the relationship is new (only a bit more than a year) and they are learning...". When the same question was posed to the Mayor himself, he nearly exploded:

*In fact, we are engaged in perpetual conflict with the Prefect. Decentralization has brought many changes but it has been hard for the Prefects to adjust to the new reality. They have the idea that we are sub-prefects, but the text is very clear. The Prefect is in place to assure the legality of the acts carried out within his Prefecture, but it does not stipulate that he is the chief and we mayors are his subordinates. I provide him a regular summary of activities that we undertake, and he decides to reject my document. But he has no right to do so. ... As for politics, I am from the Mouvance and we are supposed to be responsible for education for example, but we have not been given the resources, so how can we possibly be expected to be accountable?*

This exchange represents what could be understood as the growing pains of decentralization and perhaps it is to be expected that the roles and responsibilities are a bit cloudy. Happily there is also evidence in this discussion that partisanship is not entirely in control. In spite of the fact that "it is hard for someone in the Mouvance to criticize the Mouvance" the Mayor was willing to articulate his interests as a local representative that he felt trumped the interests of the Mouvance at the national level. In the context of confused roles however, one could easily imagine how partisan differences might be mobilized in localities where a Mayor is also a member of the opposition. In such a case, partisan differences could be layered on confused administrative procedures and responsibilities with less than healthy results. The most obvious example of course is found in Cotonou itself where the Mayor is also the leader of the Opposition and where conflict between the local government and the national government is multifaceted and ongoing. If well-managed, these differences can serve the interests of increased political

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<sup>2</sup> The issue of load shedding is discussed under the Governance heading below.

competition; if left to the logic of politicization, greater divisions might ensue and the interests of good governance are not likely to be served.

### **Civil society and the media**

The level of effective competition in a democracy is also a function of the balance of influence and power between the government, on the one hand and organized actors outside government on the other. Competition of ideas is facilitated by pluralism in civil society and in the media, and an over-all balance of political power is sustained to the degree that citizens and citizen groups are able to effectively scrutinize and check government action.

Civil society in Benin today also tends to reflect the political situation in some important ways—there seem to be a multiplicity of NGOs, CSOs, and CBOs, but over all they have a limited influence. Further, civil society structures its advocacy activities and other goals around the political milieu in which it functions, namely one in which the executive exercises overwhelming control.

National NGOs and democracy promotion organizations are relatively few and limited in their influence. Labor unions have exerted their power through strikes, but when asked if unions represent a strong ally for challenging the government for more accountability, most respondents did not respond positively; unions are seen as having very specific sectoral interests regarding their salaries and other terms of service and not as having a broader democratic reform agenda. The strength and diversity of Beninese civil society appears to be at the local level, where citizen groups are involved in education (*Associations des Parents d'Eleves*), agriculture (producers associations, especially in cotton), and also in health (health *mutuels*—though these are newer and less widespread). Further, much of the organizational structure has emerged as a result of French corporatist history (the labor unions and producer associations) as well as Benin's long experiment with Marxist socialism, and thus these organizations are not the spontaneous, citizen-driven groups that outside observers might expect. Nonetheless they represent a population of non-governmental organizational resources not always present in less-developed countries.

The tradition of advocacy among civil society organizations in Benin is not strong. “There are maybe 2000 NGOs in Benin, but among those you will only find about 3 or 4 that are willing to challenge the government, and among them, only 1 or 2 that will actually do it” one donor opined. One of the more active CSOs echoed this view and argued that one important need for Benin's NGO sector is to engage directly with the government and demand accountability on the part of particular Ministries. “NGOs in Benin need to be stronger as organizations in order to be able to do this effectively.”

Another factor that influences weak advocacy traditions is the general weakness of the legislative branch and the political power of the executive. This has the effect



of reducing avenues for advocacy and limits the ability of civil society to engage a variety of policy makers. The related modes of participation that reflect the limited pluralism of government structures and emphasize the power of the executive also has the summary effect of limiting CSO advocacy. The Chamber of Commerce, for example, said that their main interlocutors are in the executive. Perhaps not coincidentally they articulated an advocacy strategy that was less than ambitious in its willingness to challenge the political and economic status quo. There are some standing consultative committees in which they play a part and one could posit that their access to such committees could be threatened if they took a more critical advocacy stance. Thus the singular power of the executive shapes the incentives of CSOs in important ways. Other NGOs (ALCRER, FONAC) discussed letter writing campaigns to ministers. Almost no one mentions the National Assembly as a representative mechanism to which they would target advocacy.

Decentralization may offer increased advocacy opportunities for community-based organizations and for national CSOs alike. It could lead to patterns of CSO mobilization that draw more on vertical linkages allowing national NGOs to have more influence at local levels and enhancing the reach, influence, capacity, and voice of CBOs. This pattern would add legitimacy and weight to CSO advocacy positions. On the part of local CBOs, increased advocacy targeted at local elected officials may also lead to closer consideration of local interests and healthier advocacy practice in Benin. By altering modes of participation in this way, decentralization may offer important gains in advocacy. It should also be noted though that while such opportunities present themselves, an opposite influence could also be seen. Some decentralization patterns can lead to the decentralization of national political pathologies and should be anticipated to avoid these patterns. In particular, the decentralization of corrupt activity on the part of the state is a danger in Benin, and the role of a robust local CSO sector can help to serve as a watch dog to counter act this possibility.

At the local level, CBO members talked about complaining to their Mayor, rather than stressing their relationship with the Prefecture or other representatives of the central state. Already then there is some indication that decentralization brings with it a sense of greater opportunity for participation, and thus also a possibility of greater competition/pluralism between levels of government. But there is much discussion of the fact that decentralization could backfire very quickly if the central government continually fails to provide necessary resources to the local government entities to carry out their mandates. Expectations for service delivery in communities are high, and because so much remains to be defined regarding the relative power of the central state and the new communes, it could be a long time before Mayors and their councils are in a position to satisfy those expectations. In the end though, a healthy advocacy capacity on the part of local CBOs could combine with the interests of national CSOs as well as with those of local elected officials to press for the realization of decentralization.

Issues related to the enabling environment and legal status for civil society do not appear to be a particular constraint. The level of control or repression is minimal although some in civil society and the media have reported that there can be financial problems for those who challenge the government, and a few activists—especially those involved in the fight against corruption—have received threats. The media in particular can be subject to financial repercussions because the government is a major client for print media advertisement. Thus, fear of reprisal in the form of withholding advertising can be an effective sanction to control or at least temper media criticisms. Occasional challenges in getting NGOs registered have also been encountered but it is not clear that this represents a systemic problem. Overall, NGOs are resource poor and consequently are highly donor dependent. However, this is by no means unique to Benin, and is perhaps to be expected. In a nation where economic development in the private sector remains extremely limited, a self-supporting CSO sector is probably not a realistic goal in the immediate future. While programmatic attention to sustainability issues is certainly warranted, such efforts should also be tempered by the recognition that even in some of the most developed democracies in the world (including the US) CSOs often benefit from government subventions and grants to make up the difference between fund raising capacity and support generated from the private sector and their actual operating costs. Some analysts believe that the public utility of a healthy CSO sector argues for the need for it to be at least in part publicly supported. At the least donors should recognize that the ability of Benin to support a healthy civil society is directly related to its general levels of economic development, thus support for this sector ought to remain an important development objective as long as the benefits of active civil society are desired.

The Haute Commission pour Audio-Visuel et Communications (HAAC) was cited by some NGO and media participants as a positive development after 1991. During the 2001 Presidential elections, it appeared to play an effective role in assuring that all parties/candidates got equal time on state-owned media.

Regarding freedom of information, two important legal protections are missing in Benin: a freedom of information law, and a whistleblower's protection law. The media faces other ongoing challenges as well. The media in Benin is in general active and serves as a means to amplify a wide range of opinions and views in print and broadcast settings. The development of radio call-in shows has been a relatively recent innovation for Benin with a number of shows providing a venue for a diverse set of public voices. Media representatives themselves spoke eloquently to the team regarding the need for the media to be more proactive in shaping a democratic public opinion and in holding government officials accountable. This included the need to more carefully investigate and report on wrong doing. Yet they pointed out the difficulties involved in doing so, with one important impediment being the fact that the state is the largest single advertiser for print media. Thus there is implicit pressure not to be too critical.

Over all, the balance of power between state and society, when considered in terms of society's ability to influence and control what the state does, appears to be strongly in favor of the state. This is true even if, when observed through the lens of the state's ability to influence what individuals do, the state appears to be quite weak.

### **Economic competition**

Though not always considered in democracy and governance analyses, economic competition is in fact a critical element that contributes to or reduces possibilities for effective democratic competition in Benin. When economic resources and opportunities are concentrated in the public sector, real political competition is constrained in a number of ways. Without independent sources of wealth, opposition political parties will be systematically weaker than those controlling government wealth and/or they will have strong incentives to ally themselves with governing authorities. Perhaps more serious is the impact on civil society and the media, where government dominance of economic resources can indirectly muzzle alternative viewpoints as seems to be the case for some journalists in Benin. Furthermore, in a state-centered economy, citizens tend to focus on access to state resources as the main route for improving their well-being, reinforcing all of the other trends discussed here, and also multiplying the emphasis on non-productive rather than productive economic activity. Finally, a public sector-dominated economy also reinforces its own momentum by reducing the important role of businesspeople as stakeholders in the country's future and advocates for limited government, a good investment environment, reasonable interest rates, and efficient use of public resources.

Benin is in poor shape on all of these counts.

- Although statistics on the relative size of the public and private sectors were not readily available to the team, an indication of the relative weakness of the private sector can be seen in 2002 World Bank data which shows domestic credit to the private sector as only 11.8% of GDP (down from 20% in 1990) and foreign direct investment at only 1.5% of GDP (down from 3.4% in 1990).
- "Privatizations" have been manipulated to benefit government allies, and public procurement in general is rife with corruption that keeps wealth in a small circle of government-friendly hands.
- The informal sector is more clearly independent of state influence, but barriers to formalization are high, thus inhibiting the potential for this part of the economy to form the basis of an independent economic sector.

### *Assessment*

The constrained and ineffective political and economic competition in Benin contributes significantly to the two inter-related themes the team heard over and over again: lack of accountability and transparency in the use of public resources (*impunité totale*), and limited political will to improve the situation. Without

effective checks and balances inside and outside of government, transparency and accountability in the use of public resources is impossible to achieve, and without those, good governance is an unlikely outcome. Democracy itself could be at risk if the consolidation of wealth and power creates at the same time an increasingly dissatisfied general public and a power structure unwilling to give up its perks and privileges. Political will to improve the situation *can* sometimes appear in the figure of self-motivated reformers, but it is more likely if leaders know they can be held accountable by their citizens, through the ballot box, freedom of information and through the possibility of accountability through the courts. Unfortunately, the increasingly self-enclosed political and economic power structures in Benin militate against such an outcome in all three cases.

## **Inclusion**

A critical hallmark of democracy is inclusion. Formal institutions and informal practice should support the rights of all citizens to participate in both governmental and non-governmental arenas. Inclusion should be both broad and deep, with all segments of the population consulted to the greatest extent possible, which is consistent with efficient government function. Rights of participation should be guaranteed both in law and most importantly in practice.

Not unusual for countries struggling to consolidate democratic practice in a context of dramatic human need and poverty, Benin seems to lack meaningful mechanisms to include a large segment of its population in policy-making and implementation. To some degree, the impetus toward decentralization has counteracted this pattern, and further, some donor efforts to include grass-roots decision making institutions in various sectors (health, education, micro-credit, agriculture, etc) are also promising steps toward improving inclusion, however, the basic challenges implied by a large illiterate, rural population are central to the long-term viability of Benin's democracy.

### **Decentralization and Inclusion**

The impetus to decentralize state power presents both opportunities and challenges to increased inclusion of rural and poor in Benin. As a means of bringing decision making power over important infrastructure and development projects physically closer to the population, decentralization may offer more opportunities for public participation in and oversight of the provision of state funded services.

Decentralization also implies an added level of responsibility for citizens as local resource identification and revenue generation become a matter of local concern and not simply an exercise in extraction by the central state. The responsibility to participate in this exercise makes it more compelling to argue for increased levels of state support for turning over competencies and resources to local elected officials. The gradual inclusion of public oversight at the local level could portend improvement in patterns of exclusion, but it should be noted that any such gains are

likely to be hard-won and take extensive efforts in improving the capacity of local organizations to participate productively in such a governance relationship (human and organizational resource capacity) and would also require efforts to improve the capacity of local governance institutions to seek out and incorporate public input on local policy making and implementation. Current patterns of local governance seem more likely to result in the reiteration of the pathologies of national level politics than to result in the more idealized vision outlined here, but the potential for a more democratic and participatory local governance is not entirely out of reach in Benin. Ultimately, it may be the best avenue for a dramatic increase in the meaningful inclusion of large numbers of citizens.

Paradoxically, the recent delays in transferring power and resources from the central government to the communes may actually increase the chances for better oversight and transparency when such time as the resources do flow. This is because both donors and their CSO partners are taking the time and making efforts to organize local groups to both lobby and monitor the use of resources by local governments. When financial resources are ultimately transferred, there should be a cadre of interested civil society groups ready and able to engage with local government in some localities.

### **Inclusion of Marginalized Groups**

The status of marginalized groups in Benin is another area of concern under the inclusion variable. Women and children are particularly vulnerable to political and economic forces that mitigate towards exclusion from political institutions at all levels. For women the pattern is particularly pronounced in the north where traditional Islamic practices often lead to women's exclusion. It is important to note though that even in the south, the inclusion of women in political decision-making is limited at best. Women's activity in the retail and wholesale market sectors cuts against this pattern, but even here women struggle for access to sufficient credit to allow for expanding business and investment in new market opportunities. Current national efforts at expanding micro-credit serve at best to allow people to survive, but limited credit opportunities remain a drag on local investment for economic growth and this pattern impacts particularly on women entrepreneurs.

Two interesting cases of progress on inclusion issues emerged in the team's research. One is the recently passed family law legislation that regulates, among other things, the fundamental legal equality between men and women. The implications of this law are largely symbolic for the time being but could portend further evolution in legal protections and guarantees for women. This is probably true even recognizing the difficulties that the new law poses for polygamous families, the implications of which may take years to sort out.

Another interesting finding related to increased inclusion of women in political life was found in the academic literature on voting behavior in Benin. A recent analysis

revealed that when presented with candidates who promise corporatist and particularistic benefits for their constituencies and candidates that provide more general promises linked to national well-being and general community improvement, that women tend to hold preferences for public goods while men are more swayed by promises of particular benefits. (Wantchekon 2003). This may portend positive evolution of political opinions as women are further included in political life in Benin if they are able to bring a more public-spirited attitudes to bear on the governance process. It is certainly the case that many of the team's interlocutors mourned the minimal levels of public accountability demanded by public opinion in the country, it is possible that women being more closely integrated in the process of governance could contribute positively to this problem.

## **Good Governance**

Issues of good governance are intertwined with all four previous assessment variables. In the most immediate sense, good governance refers to efficiency and openness of government practice. In broader terms, the impact of all other variables comes together in the area of governance. Good governance is 'where the rubber meets the road;' it is the effective delivery of basic public goods that citizens can reasonably expect from a democratic state, and in the case of Benin, there are considerable challenges in this arena as well.

### **Government performance**

Benin's governance suffers from the usual panoply of weaknesses seen in many nations in the region and across Africa: limited human resources, poor human resource management practices, insufficient budgets and poor financial management, outdated technology and limited skills bases, etc. Most of the team's interviews indicated that the quality and quantity of basic public services had declined. While there has been recent economic growth in the country, problems in basic social development have deepened rather than improved and the benefits of growth seem to be increasingly captured by a limited few. Further the public service charged in large part with carrying out provision of services was consistently described as rife with corruption and patronage practices.

Key issues that emerged around good governance include the status of decentralization, the dominance of patronage and politicization in human resource management, corruption in general throughout the public service, and the specific role of public procurement (especially privatization) in reinforcing corrupt links between political and economic power. This section treats the decentralization theme in reference to good governance concerns. Because Section below provides a more robust synthesis of the corruption issues and so they will get relatively lighter treatment here.

As has been discussed throughout this analysis, decentralization is an important new development in Benin's democratization process, but it is very early in the

process, and some of the early signals have not been entirely positive. Specifically in reference to governance, the key observation about decentralization is that it appears to have left a void in certain areas of service delivery and that is why the team has concerns regarding the process of load-shedding on the part of the central government. Of particular importance is primary education.<sup>3</sup> Decentralization has handed over significant responsibility for primary education to the local government councils headed by mayors, but the national government has not allocated resources to the local governments to fund these critical public service. At the same time, debates continue between prefects (representatives of the central government at the *departement* level) and mayors/councils about their fund-raising authorities, among others. The actual status of decentralizing government services and resources is not well-defined at this point, only one year into the initiative, but it seems clear that state authorities have not fully absorbed—indeed, that they have not really planned for—the implications of decentralization. As described in the Competition section above, the contrast between the assumptions expressed by the official at the Prefecture of Borgou and the views of the Mayor of Parakou, speaks volumes about the unfinished business of decentralization, even as it also indicates the ways in which decentralization might help diversify power centers and perhaps force some cracks in increasingly consolidated power.

Corruption in Benin was characterized as endemic by a large majority of those that the assessment team met with. Numerous examples already presented indicate corruption is found in both its insidious yet prosaic administrative forms and in higher-level grand corruption. The governance implications for these findings are indeed troubling. Corruption tends to reduce the efficiency of governance institutions. One observer noted: “rational people spend excessive time and energy figuring out how best to exploit the system, so getting control of this has the potential to redirect enormous amount of human energy”. With corruption having become an accepted part of daily interaction with the state, governance capacity is inevitably diminished. Further, not only are important resources lost to the state from pillaging of state funds by dishonest practices, but the state is also forced to employ large numbers of talented personnel in efforts to control corruption. The impressive size of the staff and facilities devoted to the Committee for the Moralization of Public Life is an instructive example. Housed in a large and newly constructed office building in Porto Novo, this entity employs literally dozens of senior level experts from a host of government departments including police investigators, and detectives, auditors, researchers, and others, all whom could be making productive contributions to their home institutions if they had not been forced to battle corruption.

Some efforts at administrative reform to deal with problems of financial mismanagement have been undertaken, most notably by the World Bank, yet reform of the public procurement process seems moribund, UNDP efforts aimed at support for administrative reform are chronically under-funded, and without high level

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<sup>3</sup> Local responsibilities include school construction, maintenance, furnishings, and carrying some ongoing costs associated with recruitment and employment of teachers.

political will to support such reform efforts, the likelihood of meaningful changes emerging from the work is low indeed.

The assessment team recognizes both the enormity of the problem, and the challenges inherent in the recommendations regarding the need to focus on anti-corruption activities. For this

### **III. Primary DG challenge**

*Rule of Law and Competition challenges contribute mightily to impunity totale & corruption, which are symptoms of Governance failure and which in turn threatens the development objectives of USAID/Benin.*

The inability of competing interests in Benin to influence policy or hold public officials accountable for their actions, combined with limited political will within the government to enforce its own laws, sharply reduce the incentives for improving the quality of governance and the management of public resources. The result is corruption, which pervades all sectors of Beninese society, threatens to erode the democratic gains its citizens have made, and limits the positive impacts of USAID's entire development portfolio.

Thus, the assessment team believes that a primary focus on anti-corruption activities is amply warranted. It is important to add however that largely because of conditioning factors explored below, there will necessarily be hard choices ahead. While the assessment team wishes it could outline a large number of suggested strategy directions that impact on questions of corruption, it is clear that unless significant changes occur in availability of resources, it would not be helpful for USAID to divert efforts in a more piecemeal fashion.

### **IV. Conditioning Factors (Filters)**

#### **Prospective USAID SO's – DG Across the Portfolio**

From a strictly operational and management perspective, a DG team focus on anti-corruption strategies probably offers the most direct and obvious linkages to other components of the USAID/Benin portfolio. Every SO Team has incentives to improve the capacity for accountability on the part of partner NGOs and GOB counterpart Ministries.

- All implementors and several other partners we spoke with identified governance problems as a limiting factor in the success of their activities.
- An implementor working in the health sector stated, "Had we thought of these governance issues in advance, we'd have avoided many of our biggest problems."



- Several USAID partners working in other sectors said they regretted not having a better understanding of governance and anti-corruption best practices, in order to respond to political challenges related to their work.
- Others had terrific ideas that may lead to measurable impacts in terms of governance -- but their activities' PMPs do not include governance indicators and therefore may not be reported (examples: APEs' mobilization in relation to the teachers' strike, potential watchdog role of health mutuals, advocacy opportunities with producers' groups)

Thus a robust cross sectoral approach is needed. As outlined below, this should include not only a thematic inclusion of anti-corruption issues in all SOs, but further, there should be specific IRs that are both anti-corruption themed and that take and explicitly “DG” approach to the questions of anti-corruption. This is vital precisely because as the analysis in this report points out, the problem of corruption is not simply one amenable to a technical fix, but rather it is rooted in political institutions and practice. Thus a programmatic response that takes account for how politics provides incentives for corruption is most likely to be successful in changing corrupt practice.

## Donors

The matrix below provides a brief summary of the general range of DG activities that other donors with whom the DG Assessment Team met with are currently supporting in Benin.

<b>Donor</b>	<b>Description</b>
DANIDA	leading on elections/LEPI; anti-corruption
World Bank	budget reform/financial management, justice sector
UNDP	administrative reform
French	Justice sector reform
USAID	Decentralization, local advocacy (APEs), national audit institutions

Over the course of the past strategy, USAID/Benin has largely been a leader in the DG donor arena in Benin and has often served to break ground in assistance that has later been picked up by other donors. By building on current USAID areas of strength, and moving to a united focus on anti-corruption, the new USAID strategy can both continue that trend and serve to buttress the important work of others in areas related to USAID’s proposed strategy focus.

- Like many other small countries in difficult economic circumstances (Honduras, Malawi), Beninese government and society seem relatively open to donor pressure. However, domestic pressure groups often get stonewalled if they try to encourage change on their own. For better or worse, nearly every group we met with identified the donor community as the major force capable of ensuring government accountability and fighting corruption at the national level. Several

suggested that donors could lend critical political support to assist Beninese groups in forcing the government to change its behavior.

- Also, in the absence of GOB political will, a targeted effort to coordinate diplomatic and political pressure at the national level, to support local partners' efforts at the grassroots level, is crucial to helping partners remove or bypass roadblocks.

## **MCA**

Benin's qualification as an MCA eligible country may prove to allow greater influence on the part of donors pressing for particular reforms in the anti-corruption arena. Particularly because the MCC indicates that MCA compact countries will be expected to maintain scores on indicators that allowed them to qualify to begin with. This means that for Benin in particular there will be important incentive to improve corruption scores to be certain that they do not back-slide and thus potentially jeopardize their MCA eligible status. For this to be a meaningful incentive however it will be important for all USG actors, State, USAID, and MCC to work together, sharing information, and providing a common face to the GOB.

## **Anti-Corruption Funding**

Benin's current projected funding lines for DG activities moving forward into the new strategy period are both shrinking and at the same time likely to be dominated by funding from the Africa Bureau's Anti-Corruption Initiative. With both limited and tightly targeted funding, the constraints on mission strategy are understandably tight. Thus the emphasis of the DG Assessment Team to focus strategy on a relatively small number of higher impact efforts seems to be well supported by USAID/Benin management.

## **V. Corruption and Transparency – Vital Targets for Governance Reform**

### **Defining the problem**

As identified under the analysis of a number of DG variables above, corruption in Benin is endemic and systematic, evident in the highest-level government operations and the most quotidian of activities. This section is designed to provide a substantive focus on corruption and to pull together insights garnered from the previous analysis.

From people within government, members of civil society, and USAID implementers in every sector, the team heard reports about the problems resulting from poor governance, mismanagement and misuse of public resources. A number of important initiatives have been undertaken: the promulgation of a national anti-corruption strategy, the establishment of an anti-corruption observatory, prosecution

of forty judges on corruption charges, important new processes to help clean up public contracting. Yet, from accounts of otherwise clean privatizations being overturned and handed over to political cronies at the eleventh hour, to repeated stories of the small inconveniences that must be overcome with “something” for the relevant public employee, corruption was a recurring theme in discussions of what is wrong with governance in Benin.

Some observers argue that, in the new democratic atmosphere of the past decade, the problem is not necessarily more corruption, but more awareness and information, and thus a *perception* that the problem is worse. Whether the problem is worse, or just as bad as always, the costs of corruption hardly need to be enumerated. It diverts scarce public resources away from their highest-priority purposes. It creates an unfriendly environment for productive investment. It undermines political competition and reform by entrenching vested interests and giving incumbents unfair financial advantages. Most importantly, it undermines the legitimacy of the democracy that Benin so notably reclaimed thirteen years ago.

### **High-level corruption**

While this DG assessment could not undertake a systematic analysis of corruption in Benin, it was possible in the short time available to draw some important conclusions about the nature of corruption and thus the means by which it needs to be addressed. A number of concepts are commonly used to disaggregate corruption in order to better understand it. Among the most important is the distinction between *grand corruption*—corruption at high levels in government, usually involving large sums of money and often disrupting or distorting entire sectors of the economy and polity—and *administrative corruption*, which encompasses the many smaller transactions (which may still add up to sizeable sums and a very big problem) that constitute daily life in the public sector.<sup>4</sup> There is not a clear line dividing these two phenomena, and in fact they are often very closely connected. The distinction is important, however, because the prevalence of grand corruption often means that *political will* to address all forms of corruption will be less evident, thus limiting the options for mitigating either aspect of the corruption problem.

It is clear that Benin is struggling under the burden of both grand and administrative corruption. The descriptions and explanations of grand corruption in Benin are many. Much was said about the role of money in politics—vote buying, profiting from public position. Perhaps the most prominent evidence of grand corruption is to be found in the many well-known scandals surrounding the sale of public enterprises. SONACOP, the national petroleum company, was famously “sold” to a politically-connected buyer through a convoluted banking scheme that resulted in the company being purchased with funds from its own accounts. To date, no one has been prosecuted in the case. “Irregular” practices have been reported in the sale

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<sup>4</sup> Corruption is also prevalent in the private sector, but for most USAID programs, the main focus is usually on corruption in the public sector, though this almost always includes interactions between the public and the private sectors.

of several of the SONAPRA cotton ginneries to politically-connected individuals who have then proceeded with unscrupulous activities that have undermined the whole system of input credits and product purchasing and processing in the cotton sector. The team also was told that contracts to provide inputs are controlled by a small circle of well-connected individuals.

Indeed, the public contracting process (the “*marchés publics*”) appears to have emerged as a key means for consolidating the influence and power of political elites. Although the government commission overseeing public procurement (*Commission Nationale pour les Marchés Publics*) has made significant progress in its efforts to reform public contracting—now publishing all public sales and tenders, and the outcomes—it still appears possible for otherwise “clean” processes to be derailed by those at the highest levels of power.<sup>5</sup> A new bill is under consideration that would create a stronger oversight body with additional jurisdiction and capacities that may provide a new avenue for reform, but the fact remains that to date, and despite the legal status and regulations governing public procurement, major procurements have often been manipulated.

The fact that otherwise acceptable processes can be overturned by just one or a few powerful individuals is evidence of the most problematic aspect of grand corruption: the powerful people benefiting from it are in a position to undermine almost any institutional arrangements set up to deal with it. As has been previously discussed, the predominance of the executive in Benin means that there are few effective checks and balances within the political power structure. And the imbalance of power between political elites in the state (and their backers) and the general public reinforces this failure. This lack of incentives for change—and indeed strong incentives to maintain the *status quo*—is at the heart of another recurring theme of the assessment: limited political will for meaningful reform. This should be a critical concern for the Mission in considering possible programmatic responses, as will be discussed further in the recommendations section below.

### **Administrative corruption**

Administrative corruption flourishes in an environment of grand corruption and is often part of patronage systems that start with low-level diversion of funds or bribetaking, but feed all the way back up a bureaucratic hierarchy to the political elites at the top. Administrative corruption appears to permeate public services in Benin—at the points where citizens meet the state. Again, since this assessment is not a systematic study of corruption in Benin, precise analyses of institutional corruption cannot be provided.<sup>6</sup> Through our interviews, however, it was clear to the team that

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<sup>5</sup> The team was told of the privatization of the former Sheraton hotel, which seemed initially to be well-managed, under the oversight of the World Bank. At the last minute, however (after the successful bidder had been notified that it had won), another buyer made a direct appeal to the President, saying he could pay more, and the result of the open bidding process was overturned.

<sup>6</sup> The World Bank is beginning the process of conducting a comprehensive series of corruption surveys. When finished, these surveys will provide extensive information on government, business

corruption is endemic in all the sectors in which USAID works in Benin, as well as many others. Examples of corruption in the management of the cotton sector were numerous—in addition to privatization scandals and selective award of inputs contracts, on the other end of the chain, it was suggested to the team that some local UCP members receive payoffs for their help in maintaining the status quo, while the majority of producers simply suffer from having to pay higher prices for their inputs. Likewise, USAID health and education implementers gave examples of everything from a systematic process of selling state-provided drugs privately and funneling the profits upward through an all-encompassing patronage network, to the problem of incompetent staff (more on this below), to demands for side payments in addition to standard costs for public services.

In addition to these problems in the service sectors, the team heard much of the problems of corruption in the customs, police and border/immigration authorities. These entities constitute the main mechanism by which Benin manages (or fails to manage) its heavily commerce-oriented economy. Corruption in these areas can also be linked to the criminal issues of trafficking in persons and drugs. The many references to the “mafia” that is behind the nominal political power in Benin came with the implication that this group of powerful individuals makes much of its money (and therefore draws much of its power) from illicit trade in cars and fuel, as well as humans and drugs. Thus the breakdown in law enforcement and security is part and parcel of the larger corruption problem in Benin.

The team also heard much about corruption in public employment, a key factor contributing to administrative corruption as well as overall poor performance in the public sector. Corruption in public employment appears systematic, with each level of employee beholden to provide favors and cash to the higher level. The team was told that the standard “price” of a public sector job, for example, is a month’s salary, along with the expectation of continued “gifts”—e.g., for a patron’s child’s wedding and similar events—throughout an individual’s period of employment. This kind of corruption in employment not only increases incentives for public servants to participate in corruption in order to have sufficient resources to keep up expected payments, but it also adds to an already-inflexible public sector employment structure by minimizing merit as the basis for hiring, firing and promotions (thereby also limiting mechanisms for discouraging corruption and rewarding good performance). This creates a self-reinforcing dynamic of poor performance and misuse of resources.

## **Addressing the problem**

### **Dealing with grand corruption**

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and general public perceptions of the extent, institutional foci, and levels of corruption in the country.

There is a critical need for *effective oversight*, but little political will to make it a reality. Even nominally independent agencies and processes, such as privatizations, in fact are captive to the cost-benefit calculations of a few powerful people. This is a critical consideration for USAID in contemplating further assistance to organizations like the CMVP, CNMP, Chambre des Comptes and Inspector General in the Ministry of Finance. While the work of some of these institutions has been facilitated by the activism or protection of high-level individuals,<sup>7</sup> the team also heard numerous references to the limitations on what investigative and prosecutorial authorities could do, or who they could “touch”. While the newly-established National Anti-Corruption Observatory offers some hope insofar as it has been given legal standing to oversee anti-corruption activities and investigate problems, and in that it includes representatives from outside government, it still faces the same constraint as most other investigative and oversight bodies: its powers end with investigation.<sup>8</sup> It is up to others in the judiciary and ministries to pursue prosecution and sanctions.

USAID’s new draft Agency Anti-Corruption Strategy suggests that, in countries where grand corruption prevails, missions should look skeptically upon supreme audit institutions and other executive branch anti-corruption institutions whose independence cannot be assured. In the case of Benin, while the supreme audit institutions are nominally independent and free to perform audits of public accounts, legal accountability in the wake of problematic audit findings is rarely forthcoming. This has an important negative impact on the ability of the SAIs to continue to function within their mandates. Legal independence has often not translated into meaningful independence that would allow full accountability at the highest levels of official culpability. At minimum, should USAID decide that sufficient independence and political will is evident in some of these institutions, it should be ready with established benchmarks that can help determine if and when that condition no longer prevails, and the mission should be willing to end its support if this is the case.

The draft anti-corruption strategy also highlights the importance of strong and united diplomatic messages to help bolster (or create) political interest in reducing corruption. In Benin, where donors represent a significant portion of national revenues, the opportunity to exert leverage through a united diplomatic strategy is great and should be pursued.

A longer-term approach to oversight and accountability in the context of grand corruption is to look for forces *outside of the executive* to create pressure for change—pressure for political leaders to exhibit the will to act. Within government,

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<sup>7</sup> For instance, the role of the former Minister of Finance in pushing through the prosecution of the 40 judges, and what appears to be a critical protective role played by the President vis -à-vis the CMVP.

<sup>8</sup> It also appears that the Observatoire will have the same problems of capacity that most other auditing and oversight institutions have. While there may be provision in the law for investigative staff, it was not clear that any staff was attached to the organization, or whether funds were available to hire staff.

the role of the legislature is critical, particularly in overseeing budget management. In Benin, as in many new democracies, the National Assembly is hampered in this function by poor capacity. The current political alignment between the majority in the National Assembly and the executive, though not necessarily a permanent status, makes it even less likely that, for the moment, the Assembly will play an active role in checking corruption in the executive. The judiciary should also play a critical role in investigating, prosecuting and trying cases of corruption, but independence has not always been assured in Benin, and capacity is also a central challenge to overcome. Addressing these shortcomings will require extensive investments in capacity building that USAID, particularly in the judiciary, is not likely able to afford.

Given continued questions of independence within the government, one of the most promising avenues for effective oversight in Benin is from outside. USAID/Benin has a considerable track record of support to civil society which should be built upon. But the discussion of civil society above indicates the difficulties that civil society groups face in their efforts. In addition to capacity shortcomings and a sense of limitation in confronting government head on, civil society must also contend with some specific roadblocks affecting their ability to watch over government behavior, the most important of which is the fact that there is no legal right to information in Benin.<sup>9</sup> Thus, secrecy is the rule rather than the exception in government's relationship with the public, and civil society is deprived of a key ingredient for promoting transparency and accountability.

Two additional tracks are important to keep in mind for understanding the dynamics of corruption, even if USAID's ability to work in these sectors is limited. The first is the role of *effective political competition* as an antidote for the impunity that characterizes and provides a foundation for corruption, particularly grand corruption. When oversight does not result in either effective punishment or improved performance, then one option should be that political leaders are sanctioned by voters. In this regard, continued work on increasing the transparency and viability of elections in Benin would merit attention, as would political party assistance aimed at improving competitiveness. However, USAID's ability to work in this area is significantly constrained by resource limitations, and given those limitations, USAID's scarce resources would be better employed in programming that more directly complements the focus of the rest of its investments.

Secondly, *improved economic competition* undercuts corruption by broadening economic opportunities that are independent of political power. This connection between wealth and power is a key dynamic of corruption. Creating alternatives to state employment or government contracts, as well as limiting the degree to which government can define economic opportunities through regulation, has two impacts on corruption. First, it lowers the economic stakes of political competition. When winning the political game doesn't necessarily mean winning the economic game,

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<sup>9</sup> Also, there is no legal protection for whistleblowers who make public information about government wrongdoing.

there is less need to use all mechanisms (including patronage and misdirection of state resources) to leverage political support. At the same time, if citizens have economic alternatives, they are less likely to “sell” their support for economic favors. USAID is considering some interesting initiatives in this area, in both agriculture and tourism, but it will be important for the Mission to consider carefully how to invest its limited governance resources in the ways that provide the most synergy with other investments. Branching out into sponsoring new economic initiatives may provide less added value than focusing on how resources can be added to existing programs to improve usage of government funds while at the same time providing hands-on practice in public participation. In the long run, these types of activities may have as important an impact on the overall environment for economic growth and diversification as activities specifically targeted at supporting new economic sectors. The mission’s ideas about increasing access to market information, however, could easily fit into an overall anti-corruption framework because of its salutary impact on increasing competition in agricultural markets.

#### *Dealing with administrative corruption*

Administrative corruption is facilitated and even encouraged where grand corruption prevails, and it has its roots in some of the same dynamics: a lack of economic options pushes people toward state employment and gives those in a position to grant access to employment a ready resource for building their own network of political and economic obligation and support. Lack of oversight and performance monitoring (of personnel and systems) exacerbates the problem. At the same time, however, administrative corruption also thrives because of specific conditions related to management structures, the quality of record keeping, the capacity to exercise effective oversight, and the degree of flexibility in human resource policies. While addressing grand corruption is necessary—to provide an environment in which standards of conduct and performance can be enforced—a wide range of changes at the administrative level are also necessary, as is the strengthening of external oversight mechanisms.

The daily exchange of money or other resources for public services (that do not officially carry a price, or at least not the price paid) is often thought to be caused by poor public service salaries and/or by a weak ethic of public responsibility among government employees. While both of these factors can contribute to quotidian administrative corruption, there is little evidence that improving salaries or promulgating codes of conduct change behavior on their own. Corruption is the result of incentives and opportunities. Ethics codes change neither, and salary increases may reduce the relative value of corruption, but without increasing the possibility of being found out and sanctioned (increasing *disincentives*), there may still be a strong incentive for corrupt behavior.

Changing incentives and opportunities requires a wide range of public administration reforms to improve recordkeeping, increase access points for services (so no one office or individual has monopoly power over the provision of a service), reduce regulation that creates opportunities for bribery, create stricter



guidelines for permits and other such services (to reduce discretion that can be used to leverage bribes), and increase public information about bureaucratic requirements and the costs of services. Careful financial tracking and auditing is also critical. Broad administrative reform is far beyond the scope of USAID/Benin's resources or comparative advantage,<sup>10</sup> but there may be opportunities within the health, education and agriculture sectors for USAID to try to address specific elements of institutional reform as part of its sectoral assistance. At minimum, with the help of a governance advisor attuned to these issues, USAID's other sectoral teams can be reviewed and designed to avoid creating opportunities for corruption through bureaucratic procedures.

As was discussed above, public employment policies and practices are critical contributors to corruption and to anti-corruption efforts. It is evident that addressing this problem will be difficult, since human resource policies in Benin are established on a government-wide basis, not by each individual ministry or institution. Even political will is evident in a particular sector, changing human resource policies across the government would be a major undertaking. If initiatives emerge to try to separate certain sectors, such as teaching, from the overall system, the Mission may want to weigh the possibilities for supporting its partner organizations (teachers unions or others) in the reform process.

#### *Towards a strategic approach to fighting corruption for USAID/Benin*

Given the relatively small size of governance resources vis-à-vis the Mission's other investments, USAID/Benin has an opportunity and comparative advantage to address administrative corruption through the other critical element of anti-corruption programming: public oversight at the level of service delivery. The team was struck by the wealth of local-level organizations that are involved in USAID's health, education and agriculture programs—*Associations Parents-Elèves* (APEs), agricultural producers groups (UPC), health *mutuels*. These organizations are in an ideal position to exercise hands-on oversight at the local level to assess the degree to which personnel are fulfilling their duties, resources are reaching their planned destinations and being used for their planned purposes. There may be important opportunities to build on other donors' work on administrative and management reforms, such as the World Bank's planned budget tracking exercise with the Ministry of Education. USAID's partners in the APE's would be ideally suited to be the "local eyes and ears" of a tracking exercise, and at the same time, the exercise could provide an excellent concrete opportunity for local citizens to see the fruits of their advocacy.

More generally, this approach of mixing oversight and advocacy training, on the one hand, with specific initiatives to improve services, on the other, is in keeping with a growing concern among anti-corruption practitioners that awareness raising that is not accompanied by real opportunities to address the problem often does more to build frustration than to reduce corruption. Finally, there is also the

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<sup>10</sup> Both the UNDP and the World Bank are working on extensive administrative reform and financial management activities.

possibility that the political dynamics around service delivery may be slightly more conducive to change than would be the case with a generalized “attack on corruption,” since citizen pressure to get necessary services might be more forceful than their interest in a more abstract problem. Benin’s new decentralization could reinforce this dynamic, as local leaders may feel more need to respond to citizen demands than those based in Cotonou.

## **VI. Strategic Recommendations**

In summary, the preceding discussion provides a comprehensive look at options for addressing corruption in Benin, and it applied some of the filters—funding levels, other USAID investments, other donor investments—that help to narrow down possibilities. This section provides a set of actionable strategic recommendations for USAID/Benin in response to the analysis carried out above and as it moves into preparation of its new strategy.

### **Critical Assumptions**

There are two critical assumptions upon which the strategy recommendations are based. If these conditions are altered, revisiting the recommendations would be required. These include:

- 1) An important degree of political stability in Benin is maintained.
  - a. In particular, the issue of constitutional change and political succession must be worked out in a peaceful manner. Although a change in the constitutional status quo may not be an ideal outcome by some measures, no matter the outcome, the basic standards of an electoral democracy and the institutional capacity for peaceful handovers of power to competing interests should be maintained.
- 2) Funding levels and funding priorities of USAID/Benin remain stable. Important percentage increases in funding for DG related activities would have a significant impact on strategy recommendations. While we would likely continue to recommend a focus on cross-sectoral approaches in most imaginable scenarios, management relationships, staffing, and procurement questions, as well as the breadth of the proposed strategy, would all likely evolve with changes in resources.

### **Strategic Recommendations**

Overall, given USAID’s limited DG resources, as well as the promising opportunities for synergy with other USAID activity areas, this analysis suggests that USAID should:

- Aggressively build anti-corruption, transparency and oversight work into its sectoral programs, particularly at the local level;<sup>11</sup>
  - Local and national CSOs are primary allies and potential partners for such an approach
  - In terms of management, the key challenge for the Mission is how to ensure that this aspect of the program has an effective and strategic "home," so that anti-corruption and governance issues will be integrated effectively into the Mission's development portfolio.<sup>12</sup>
- Make the most of relative donor influence in Benin by building a unified, strong donor and diplomatic front to press the government to take stronger steps to reduce grand and administrative corruption, current efforts at donor coordination should continue and be amplified if possible to focus on issues of corruption;
- Develop benchmarks or other measures of independence and effectiveness for national-level institutions, such as SAIs, which could further the objectives of transparency and accountability in USAID's sectoral programs. These measures should be used to evaluate whether these institutions merit assistance on the basis of their ability to act outside of political control.
- Integrate women and women's organizations as important allies in anti-corruption efforts
- Consider how decentralization impacts on corruption and corruption on decentralization. Design programmatic responses that account for challenges in the decentralized governance context.

## **Illustrative Program Ideas**

The final section of this assessment provides USAID/Benin with a set of illustrative programming ideas that are consistent with the strategic recommendations of the assessment team and represent what might be considered a forward looking menu of possibilities. We do not suggest that the package of these programmatic suggestions represent an ideal package given the constraints and filters discussed above, but rather that USAID would need to make choices on the basis of further thinking, discussions with GOB partners, other partners and stakeholders and technical support teams in Washington.

### Civil Society

USAID already supports several CSO networks (APEs, UPCs, FONAC, and eventually health mutuals) that have the potential to be powerful advocacy

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<sup>11</sup> If the Mission does decide to adopt this cross-sectoral approach, the team strongly recommends a Mission-wide corruption training effort in order to create a basic level of shared understanding of corruption dynamics and programmatic responses, as well as a shared vision of how each program contributes to Mission-wide results. Mechanisms to conduct this training are available from DCHA/DG and the Africa Bureau.

<sup>12</sup> Annex II includes a handful of ideas and reflections on these issues for Mission consideration.

organizations, capable of forming alliances, holding the government accountable, and channeling grassroots political activism into a transformation of Benin's political system.

- Involve civil society groups working in USAID development sectors in governance issues centered around their areas of expertise, with a focus on demanding transparency and holding government at all levels accountable for their actions and funding.
- Make cross-fertilization and linkages between USAID civil society programs more explicit, logical and sustainable. Example: the RTI training on advocacy and lobbying in Parakou involved APEs and UPCs, which was a terrific example of linking programs together around good governance issues. The session provided both training and a vision of the possible, two of the four key elements needed for effective advocacy. However, these groups now need help to develop and implement strategies for reform, and to identify allies in the government, civil society and the donor community to ensure that critical first experience of success. In short, the sustainability of these excellent training efforts requires follow-up, which means that SO teams and implementers need the skills and vision to ensure that participation and advocacy are fully articulated parts of all sectoral programs. Also, a governance advisor at the Mission could help teams build advocacy and oversight into their programs.
- FONAC seems to have developed the political capital needed to take on corruption issues, but they lack a broad base of popular support, a vision of the possible, and a strategy for conducting an anti-corruption campaign. We also noted a bit of helplessness and donor-dependency in their outlook. USAID/Benin can help by providing the following program support:
  - Training and strategizing on fundraising activities and membership drives, to improve sustainability of civil society support. USAID/Washington can help provide examples from other programs.
  - Supporting alliances between FONAC and key institutions at the national level: IGF, the Chambre des Comptes, journalists, the Chamber of Commerce, and even some of the better unions.
  - Supporting a critical (and potential powerful) alliance between FONAC and the APEs, UPCs, etc., around anti-corruption and good governance issues in development sectors. This would provide FONAC with links to broad-based grassroots support, and help the civil society networks unite around a national strategy. (Obstacles to overcome would probably include reforms to the APE national-level structures, which are not very representative, as well as the inevitable class-based difficulties that may arise from bringing UPCs into the coalition.) A transparency effort that pairs national advocates (FONAC) with local “eyes and ears” (APEs) could be developed around the upcoming World Bank budget tracking exercise with the Ministry of Education.
- One key issue that could mobilize all these groups is monitoring campaign finance and the "achat des consciences" during elections. Assist anti-corruption groups and their allies in developing a campaign

strategy to focus public attention and to monitor the issue up to and including election day. (Note: ESF funds could be leveraged for some of these activities, and other donors may also be interested. These activities could be linked to other donors' efforts to establish a LEPI.)

- FONAC and its allies could be invited to help the USG track how MCA funds are spent, if Benin is successful in the competition for these funds. This will require training for local partners and implementors on the eventual MCA compact.
- Both the Chamber of Commerce and certain professional unions could use training and technical assistance on becoming involved in accountability and anti-corruption campaigns. One way to approach this without increasing USAID's financial or management burden is to engage the National Endowment for Democracy (NED) and two of its core implementors: the American Center for International Labor Solidarity (ACILS or the Solidarity Center) and the Center for International Private Enterprise (CIPE). Any or all of these groups may be interested in working in Benin, if their activities would be construed as contributing to an overall USG approach to good governance.

#### Building local politics as a counterbalance to national dynamics

- As discussed in this report, local political leaders are being presented with a choice between fighting on behalf of their constituents (the new democratic game) or doing nothing in order to protect their access to patronage (politics as usual). This choice is a bold illustration of how political will derives from the range of incentives available to elected leaders. USAID/Benin could help these local leaders make the right decisions by providing the following program support:
  - Encourage mayors and councilors to meet regularly to discuss challenges they face at the communal level. Given the large number of communes, USAID may want to focus on communes "de statut particulier" because of their size, political complexity, and the common development challenges they face.
  - Consider a study mission outside of Benin as a way of providing a fresh perspective and creating bonds between leaders of different political backgrounds. For example, local government associations in the U.S. or South Africa are multipartisan in nature and would be excellent examples of issue-based coalitions that transcend partisan concerns to advocate on behalf of communities. Select key personalities from both the Mouvance and the opposition. Encourage participants to draft a brief report of their findings that they can deliver in a joint press conference upon return to Benin. (Note: This is a potentially expensive program approach. ESF or Public Affairs Office funding could be leveraged to support these activities.)
  - Provide political support and publicly encourage key local leaders who are clearly willing to take a stand on behalf of their communities and

challenge politics as usual. Supporting reformers from both Mouvance and opposition would be the best strategy.

- Build public fora for interaction between mayors and local councils, on the one hand, and local civil society groups, on the other. This should be done in the context of the Mission's ongoing sectoral programs, with a focus on appropriate use of resources, transparency and accountability.

#### Government oversight institutions

Recognizing the risks surrounding assistance to institutions that are ultimately subject to direct political limits on their activities, the team made some observations about the types of work that might expand the impact of the Mission's assistance to key oversight bodies. However, it is important for the Mission to develop standards by which to assess the ongoing relevance and independence of these bodies, and the Mission should discuss with the Africa Bureau possibilities for redirecting/restructuring ACI funding if impact can't be assured.

- **Chambre des Comptes:** When the team met with the members of this body, they requested some additional elements of support to help them publicize their decisions and attract interest among journalists and civil society. USAID/Benin can help by providing the following program support:
  - Public affairs and information dissemination skills.
  - Assistance making linkages with FONAC and journalists.
  - Exert political pressure or training for the Supreme Court (esp. other magistrates) on the importance of Chambre des Comptes and the need to follow up on its dossiers. This intervention may forestall the need to transform the Chambre des Comptes into a Cour des Comptes, which is a constitutional tweak being discussed in anti-corruption circles.
- **Inspection Général des Finances:** The IGF has dynamic leadership and a promising vision. Is it possible to rethink limitations on having the IGF audit government accounts dealing with other USAID sector programs? We can provide assistance in DC in revisiting this issue to get a clear "yes or no" from the AFR budget office.
- **Public Contracts Verification Board:** As the new mechanism for oversight of public contracting is put into place, the Mission should evaluate its role vis-à-vis the other oversight mechanisms it is assisting. This could be a key mechanism for reducing a core avenue for grand corruption; opportunities to include this commission in trainings, or to draw linkages to budgetary oversight in specific USAID sectors, may be worth further investigation.
- **Cellule pour la Moralisation de la Vie Publique:** Given the Office of the President's unwillingness to follow through with some of the CMVP's more controversial recommendations, continued caution is warranted.
- **Observatoire National pour la Lutte contre la Corruption:** Though the fact that it includes participants from outside government is encouraging, the Mission is right to raise questions about the actual powers and potential impact of the Observatoire. If controlled by government or pro-government forces, the Observatoire could try to co-opt or disarm truly effective anti-corruption efforts. The other concern is simply that of multiplication of institutions, and perhaps

dilution of responsibility. Clear definitions of roles and responsibilities among these many entities is important, but even then, too many different organizations addressing the same issues is usually problematic.

## Annex I List of Individuals Consulted

Name	Organization
ADDGONY, Antoine	CMVP/PR
ADJAI, Anne Cica	CT/MVP-PR
ADJOVI, E. Ferdinand	APAB – Sinlofa
AHOUCANDJINOUC, Max Franck	Care International
AHOUCANDJINOUC, Sylvain	CERABEONG
AKOTEGNON, Claude	Direction of Information Communication Technologies, Ministry of Communications
AKPATA, Michel	Guide Touristique
ALAPINI GANSOU, Reine	WILDAF/FeDDAF/BENIN
ALI BOCO, Agnes	RNPSF
ALOHOU, S. A.	CMVP/PR
ALOKPO, Pahaliah Laine	Traduction Anglais - Francais
ALTIDOTE, Abel	ONG Valeurs Citoyens
ASSIGNAME, Marcel	CERID – ONG
ASSOGBA, Martin V.	ALCRER
ASSOGBA, Nicolas Luc A.	Ministere de la Justice, de la Legislation et des Droits de l’Homme
ATTIKPA, H. Henorine	G/P/Fed
AWASSO, Basile	DCE / MICPE
AYEMONNA, Claire Houngan	Fondation Regard d’Amour
BALLE, Arthur A.	Avocat a la Cour
BOCOBO ALLAVO, Mireille	World Education, Benin
BOKODAHOU, Alexis A.	RTI International
BOUKARI, Malick	CMVP/PR
CARLOS, Maurille	Radio Capp FM
CHABI, Mamadou	Chambre Nationale d’Agriculture
CHAFFA, Labiyi Joseph	Port Autonome de Cotonou
DAGPAO, Edouard Alexandre	Ministry of Finance (Public Markets)
DARBOUX, Prenette	FENGO-BENIN CA/FONAC
DEGLA, Agbindinounoni Claire	AFJB (Association des Jeunes Juristes)
DJIBODE, Guy Falien	Centre Afrika Obota
DOSSOU-YORO, C. Guy	ODEM
ELIAS, Jean-Baptiste	Premier Vice-President Port Parole
FATEMBO, P.	CMVP/PR
FELTEN, Jeff Michael	Appropriate Technology International
GANGBO AGBOTON, Paulette	Ministre Plenipotentiaire de Affaires Etrangeres
GAYE, Diariétou,	World Bank
GBADAMASSI, Rachidi	Ministre de l’Interieur de la securite et de la Decentralisation, Parakou
GOUDJO, Ginette	Retired (Port of Cotonou)
GRAUER, Kristen K.	US Embassy



GYIDISI, Edgard	Afrique Consult
HAMENOU, Kouami	Inspecteur de l'Enseignement du 1er Degré pour les Départements de Zou et Collines
HODONOU, Marie Antoinette	IMAGIREVE
HOLONOU, S. Narcisse	CMVP/PR
HOUEHOU, A. Romain	LDCB
HOUNGBO, J. Gilbert	CMVP/PR
HOUNKPE, Mathias	CAPAN
HOUSSOU, Edouard	Ministere des Finances et de l'Economie
KICHE, M. Anasthase	PPAB
KOMICH, Carla M.	USAID
KOUHEVI, Pierre Andre	UNDP Benin
KOUPHIN, Charles Codjo	BENIN- EXPERTISE Sarl
KOUTON, Michel	CMVP/PR
KPATIN, Isabelle	SSA/CMVP
KPONOHOON, Nicole	CMVP/PR
LALOU, Urbain	CMVP/PR
LOKO, Edouard	Le Progrés
LOUMA-OVERSTREET, Charles E.	U.S. Department of State
MADODE, Onesime	Magistrat
MAXIMILIEN, Sossou-Gloh	President, FONAC (Transparency Benin)
MBENGUE, Cheikh	PHRplus-Benin
MILLER, Alan T.	World Education
N'TCHOUGAN-SONOU, Christina	Creative Associates International
NOUATCHI, Theodule	T.G.FONAC (ANAP)
NOUDEGBESSI, Bernice	USAID/Benin
OGOUBIYI, Guy	Magistrat
OGOUSSAN, Geneviève	MFPPS
OKE, Loudoric	CMVP/PR
OMICHESSAN, Chistiane Tabele	Ministere des Finances et de l'Economie
QUENUM, Evelyne	Radio Tokya
SASAKI, Mikiko	UNDP Benin
SEIDOU ADAMBI, Samou	Municipalite de Parakou
SOSSA, Dorothe C.	Ministere de la Justice, de la Legislation et des Droits de l'Homme
SOSSOUHOUNTO, Eric James	USAID
SOSSOUNIHEN, Monique	Agence de Publicité
WALLACE, Edouard	Association of GSM Users (mobile phones) Benin
YESSOUFOU, Latifou	World Education, Benin
ZINSOU, Gregoire Frejus Sovi	Ministere des Finances et de l'Economie
ZOROBOURAGUI, Séro	UDP – Borgou

## Annex II Mission Management Considerations

- If a cross-sectoral approach to anti-corruption is adopted, the team strongly encourages the Mission to do some Mission-wide training on corruption and transparency issues. This will allow both a shared understanding of the problem as well as an opportunity to identify shared objectives, results, etc. USAID/Washington can help identify training options for the Mission.
- Depending on how the strategy development process evolves, the Mission may want to revisit the idea of a special objective, but with a specific anti-corruption/accountability focus. This SpO would contribute to synergies across the Mission's entire program by involving the other sector teams in determining how DG and anticorruption resources would be used. Other SO teams could buy into the special objective or draw upon its resources when governance challenges arise. The goal would be to help transform USAID local partners into networks for developing advocacy skills and holding government officials accountable in the development sectors they know best. Several illustrative ideas about potential programs that would build on USAID's current portfolio are detailed further below.
- As an alternative to a new SpO, a senior-level "champion" for civic advocacy, good governance and anti-corruption issues could provide guidance and advice for program teams, to ensure that governance considerations are being discussed and integrated. A key role for this individual would be assisting sectoral teams to build transparency/anti-corruption considerations into sectoral strategies, developing reporting mechanisms to track impact, and assuring that activity design documents include appropriate instructions and/or results for achieving the cross-cutting anti-corruption/transparency goals. This advisor would be the likely advocate for DG funds and the manager of governance-related activities when money becomes available.
- Mission management should ensure that governance problems are discussed in team planning meetings and implementor meetings. The DCHA Bureau and AFR/SD/CPG team in Washington can provide assistance in developing questions that teams can use to probe, identify and articulate governance concerns. We can also help design program elements to respond to governance and anti-corruption needs.
- As the Mission develops its approach to governance and anti-corruption activities, the Embassy can be a key ally in obtaining funding through ESF and non-USAID opportunities (e.g. National Endowment for Democracy or other USG agencies). Concerns about Benin's ability to remain an MCA country are one justification for coordination with State; the high level of corruption expected during upcoming elections is another. You have allies in Washington who can help build support for creative solutions.
- The USAID Mission and US Embassy could use diplomatic intervention or other forms of political pressure to assist local partners and other implementors in overcoming administrative or political obstacles that stand in the way of program success.

## **Annex III External Reviewer Comments**

### **Comments and Feedback on the Assessment**

#### **Comments on the Benin Democracy and Governance Assessment**

Jennifer C. Seely, MSI

Assistant Professor, Politics Department, SUNY Potsdam

Nov. 15, 2004

The Benin Democracy and Governance Assessment Report prepared by Management Systems International (MSI) has correctly identified the predominant area of concern for Benin's nascent democracy: corruption. In comparative perspective, Benin's democratic transition and initial consolidation have been quite successful, but the team has aptly pointed out that without active support, both domestically and internationally, democratic gains could be lost. Where corruption undermines the confidence of the citizens and diminishes the effectiveness of government, its impact would damage any political system, but a young democracy like Benin is particularly vulnerable. USAID should be aware of the nature and scope of the problem in Benin, as outlined in the Assessment Report, and should marshal its resources to combat the negative effects at all levels of government. The Assessment team has done a very good job of identifying key areas of concern and offering an action plan for addressing the most urgent needs. Given the limitations on USAID resources, I think the targeted approach recommended in the Report is very sound.

In my opinion, the Report gives an accurate picture of politics in Benin, which is all the more impressive given the time and resource constraints on the team from MSI. In particular, the discussions relative to the high-level and administrative corruption, the role of civil society organizations, and the implications for decentralization are well researched and presented. My comments, therefore, tend toward fleshing out the reasons behind some of the political dynamics encountered by the team, and in some cases offering an alternate perspective on them. In only one or two relatively minor areas does my analysis differ from that of the Assessment Report, and generally only in terms of emphasis, not point of fact. I will start with some comments on the background information from the report, then proceed to discuss the problem as identified in the report and the actors and institutional areas addressed, before moving on to the report's recommendations and comments on methodology.

#### *Benin's Recent Electoral History*

The report provides some historical context for the current situation in Benin, but there is little discussion of political events after the 1990 National Conference that shaped the democratic transition, but before President Kérékou's re-election in 2001. Given the report's focus on corruption, I think this recent history provides important perspective on how voters and politicians are likely to react to upcoming political changes. The 1996 election, in which President Nicéphore Soglo was defeated by Kérékou in the second round of voting, was a very significant one in Benin's political development. Though

many analysts have focused on the return of the former dictator as a negative sign for Benin's young democracy, it was in fact a hard-fought contest in which Soglo's high-handed tactics and nepotism created the incentive for voters to seek an alternative. It also represented an important second electoral turnover that many political scientists consider to be an important consolidation milestone. For the purposes of this report in particular, the 1996 election showed the voters were willing to sanction a leader who was not serving their interests, and who they perceived as corrupt. Given the report's emphasis on the need to check corruption, it should be pointed out that the voters have done this in the recent past.

A related development that I was interested to learn was the controversy surrounding rumored changes to the constitution (p. 14). My own analysis of the political situation in Benin has led me to predict that there will not be sufficient political or popular support for changes that would allow Kérékou (or Soglo) to run again in 2006.<sup>13</sup> Two constitutional provisions prevent Kérékou from running: the two-term limit provision for the presidency and Benin's unique constitutional provision that no president can be over 70 years of age. This provision was hotly debated during the transition period in Benin (1990-1991), and the transition government even canvassed public opinion in all regions of the country, learning that there was considerable support for the "age cap" which would apply to Benin's ex-presidents (who had led in the 1960s and 70s and were still politically active in the early 1990s). The ex-presidents were vehemently opposed to the age cap, and to placate them, the constitutional referendum included three options: accept the constitution with the age cap, accept the constitution without the age cap, or reject the constitution. About 70% of the voters chose to accept the constitution with the age cap on the presidency, indicating an overwhelming support for a younger generation to take over political leadership in Benin. Because the age cap survived such extensive political hurdles so recently, I am inclined to think it would not be as easily overturned as ordinary term limit provisions in other countries (including Togo) have been. The Report is right to point out public concerns on this issue, however, because even the suggestion of political maneuvering on this issue could be quite damaging to democratic credibility.

Assuming that there will be new leadership in 2006, Benin's politics will reach a critical juncture in which the democratic institutions will have outlived any one leader. Considering that Kérékou has been president of Benin for all but 5 of the last 34 years, his departure will provide a crucial test for the strength of political institutions in his absence. It may also provide a strategic opening to curb the corruption the report describes. Soglo is the most obvious alternative to Kérékou, but he will also be prevented by the age cap from running in 2006. So how will a new political leader emerge? The report cites the importance of money in political campaigning (page 13), and it is true that disproportionately large sums have been spent and citizens have come to expect handouts at election times. It is also true that Kérékou outspent his opponents when he won the election in 2001. I have explored this issue in my own research, in the hopes of better understanding how voters in Benin make their choices. Neither I nor any other researcher to date has found a demonstrable link between the amount spent and the

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<sup>13</sup> Seely, Jennifer. "The Legacies of Transition Governments: Post-Transition Dynamics in Benin and Togo." Forthcoming in *Democratization* vol. 12, no. 3 (2005).

tendency to cast a ballot for a particular candidate.<sup>14</sup> This does not mean that such a link does not exist (the “achat des consciences” mentioned on p. 45), but only that we do not have enough information to assess whether money is really corrupting electoral politics, or whether the campaign serves as period of intense redistribution while other considerations (such as personal preferences or ethno-regional ties) determine voter choices. Another issue the report points out is the proliferation of small, ethnically-based political parties. In contrast to the report’s emphasis on disagreements between the Fon ethnic group and others leading to this diversity (p. 13), I would emphasize the two-round electoral system which gives otherwise marginal political players the chance to earn a percent of the vote in the first round, which can be parlayed into political advantage as the top two candidates compete for blocs of votes in the second round. Adrien Houngbedji played this “kingmaker” role in 1996 to great advantage, finding himself Prime Minister, a position that had not previously existed. Therefore the proliferation of parties is a good example of the political incentive structure in Benin, but not one that we might expect to change without a significant change in the electoral system.

### *Problem Identification*

The Assessment Report points out what many analysts of African politics have feared: that democratization in the early 1990s did not change the fundamental political incentives and interactions as much as might be hoped. The old “neopatrimonial” patterns in which important political patrons offer specific benefits to their clients in exchange for political support still hold. As a result, the democratic institutional structure seems to provide an additional layer of relationships through which these patron-client ties can be exploited. The DG Assessment team has given good evidence for this kind of favoritism overriding efforts for greater fairness and transparency in politics, as with the bidding for public companies (page 36). The report certainly supports the view that democratic institutions are easier to establish than live by.

As defined in the report, there is both high-level (or “grand”) and administrative corruption. In the high-level realm corruption, it appears that there is even less accountability than in the administrative realm. Most of the reports’ examples focus on thwarted public bidding for companies to be privatized, leaving the reader to wonder what will happen once the privatization of state-owned companies is complete. What will be the next target when the opportunities for corrupting the sale of companies have run out? Another very important observation made by the team is that decentralization has the potential to provide additional checks on corruption in the central government, but it may also serve to “decentralize corruption” (p. 6). The team wisely focuses attention on the impetus behind decentralization, and whose support will be essential for making the transfer of power from the central to local governments a reality. Another important point made by the report is that civil society organizations may have increased access and influence to combat corruption within a decentralized system (pp. 26, 30).

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<sup>14</sup> The experimental study by Wantchekon (2003), which the report cites on page 31, has only scratched the surface of what we could learn about voter behavior in Benin and Africa in general.

Concerns about decentralization juxtaposed with the description of corruption in the central government leads the reader to wonder whether the central government has freed up a great deal of its budget by decentralizing responsibilities without adequately funding them (p. 32). In other words, is corruption flourishing in this margin where the central government has ready cash allocated for projects that it no longer controls? This is a dangerous situation because no government wants to give up a revenue stream, even one unfairly gained. If this analysis is correct, it suggests that the subnational units of government are unlikely to ever see the funding they need. The longer the central government can make use of those resources with impunity, the harder it will be to tackle corruption that flows from it.

In addition to correctly identifying key DG problem areas in Benin, I think this report has implications for other African countries at similar stages of political development. Once democratic institutions are established in African countries, how can USAID help to make them vital, integral parts of the political process and citizens' lives? The question is not simply about making governance better, but also about seizing a strategic opportunity for meaningful political change. The report mentions increasing crime in Benin (p. 18), which chillingly recalls the increasing lawlessness in Côte d'Ivoire in the early and mid-1990s that preceded the current crisis in that country.

#### *Actors and Institutional Areas*

One of the real strengths of the report is the detailed understanding of the role of CSOs, NGOs and CBOs. The particular attention paid to these actors seems appropriate given USAID Benin's involvement with these organizations in the past, and the need to target solutions where they are most feasible. However, I think there are two important sets of actors that could use additional attention in assessing democracy and governance in Benin: opposition party leaders and youth. In the list of interlocutors I do not see a representative from the Parti de la Renaissance du Benin (RB) has supported Soglo. The team appears to have focused more on civil society groups than political groups, which undoubtedly makes sense for proposing solutions that are feasible from the point of view of USAID (p. 40). In terms of identifying the problem, however, I would have liked to hear from a broader swath of the political spectrum. Another voice that could lend perspective would be that of young people in Benin, though their perspective would be difficult to capture on such a limited mission. However, given that about half of Benin's population is aged 18 or younger, the youth seem to be a vital group to keep in mind when considering the problems of government, as well as the solutions. Benin's youth seem extremely concerned about their economic prospects, which affects how they choose their leaders (will this politician grant me the favor of a job?) as well as their approval for the current political system. I imagine that as the youth are represented in CSOs, their point of view was taken into account by the team, but without singling out youth as an important political actor, I think the report's recommendations de-emphasize the role of the educational sector in targeting problems of corruption (see Comments on Recommendations below).

Another important issue addressed by the report is that of the National Assembly, which appears to be playing less of a role in Benin's politics than it did in the mid-1990s, when political struggles between the executive and legislative branches were hotly contested. Now that supporters of Kérékou (the Mouvance) control the legislature, the team found that it was hardly considered an important political player at all, and concluded, "...the fact that (the National Assembly) has rapidly become a minor political actor is an indication of core weakness in the system..." (p. 21). I am not certain that this conclusion follows logically, because the time period in question is still rather short. Often when the executive and legislative branches of government are controlled by the same political faction, the influence of the latter is diminished. Again, the outcome of presidential elections and the possible departure of Kérékou from the political scene will be an important test for the strength of the National Assembly as a forum for political competition and contestation. The report's concern about the lack of policy-making initiative by deputies (p. 22) is more of a concern in the short term, in my opinion.

Though economic issues were mentioned throughout the report and some interesting statistics offered (p. 28), I would have liked to learn more about recent economic trends, particularly in income per capita. Not only might these shed additional light on the problem of corruption, but in Africa as in America, the state of the economy affects people's satisfaction with their government. For example, on my most recent trip to Benin in 2003 I was quite impressed with the number of recently-paved roads in Cotonou, compared to the situation in 1999. However, the team found that their interviewees "...indicated that the quality and quantity of basic public services had declined (p. 31)." In contrasting my own subjective view with that of the interlocutors, I wished for some objective data to support one side or the other.

### *Summary*

In sum, I do not think the identification of the core DG problem – corruption – would change if additional actors and institutional areas had been consulted, nor if Benin's recent political past had been included in the analysis. My comments here provide a slightly different perspective on DG problems, and suggest alternative sources for additional understanding of the current problems.

### **Comments on the Recommendations**

I strongly second the Report's wish that greater USAID resources could be put toward promoting democracy and good governance in Benin (p. 33). Since the wave of transitions in the late 1980s and early 1990s, Benin has led the way in political reform and is viewed by many of its neighbors as an important test case for the success of democracy in Africa. It also is a relatively small country, where intense investment by USAID and other donors could do significant good with relatively little in the way of resources. Successful donor intervention in Benin could provide a model for donor effectiveness and inspiration for democracy and governance elsewhere on the continent. Far from speculating that the resources of USAID Benin will increase, however, the

report cautions that they should not be reduced, which I agree is vital to assisting democratic consolidation in Benin.

The Report's recommendations do seem appropriately tempered with resource constraints in mind, and follow logically from the problems as identified and detailed by the team. In general terms, support for the National Assembly, civil society, political parties and increased economic competition are all advisable, but perhaps not feasible for USAID at this time. More particularly, the report outlines strategies for working with civil society groups to promote oversight and advocacy, which is especially useful considering the ties that USAID has already established with many important groups. The report's emphasis on a unified donor front is also sound, as is the emphasis on working with women's groups and keeping the new dynamics that decentralization will bring at the forefront of planning. I would only add that youth and the educational sector might also be effectively targeted, given the high proportion of the population under age 18, and given relatively high school enrollments.

With respect to some of the other recommendations, the idea of developing benchmarks to track the independence of the supreme audit institutions (SAIs) is a good one, especially given that any corruption is generally viewed as too much and therefore it is hard for members of government or observers to judge the success of anti-corruption efforts. On the other hand, it seems important *not* to establish a system whereby political actors adjust their level of corruption (or independence) to meet the minimal donor benchmarks, but keep the same structures of "incentives and opportunities" (p. 41) that have caused the current problems.

With regard to the specific recommendation about monitoring campaign finance (p. 45), contrary to the Report's implication, I found the availability of information on campaign spending quite extensive. I was able to access recent spending records for research purposes from media sources and directly from the Chambre des Comptes. Spending did seem to be documented and publicized, thanks in part to USAID efforts, so I would disagree with the recommendation that that is an essential target. My understanding of the problem is that these financial reports were considered "fictional" by most, because the reporting was voluntary and unverified. In other words, the information released contained no surprises, and in some cases, the accounting offered was not verified by receipts. The Chambre des Comptes has little recourse if an accounting is not made, or if it is not made in full. From my perspective, it is not the reporting or publicizing of campaign spending that would have a significant impact, but the verification of what is already being reported.

### **Comments on Methodology**

It seems that the strategic assessment framework, as followed by MSI with results detailed in the DG Assessment Report for Benin, is a useful one for understanding problems of democratization and consolidation. In this case, I believe it has led to an accurate assessment of the main problems affecting democracy in Benin, and to a number of viable strategies for addressing problems and supporting good governance.



Understanding the resource constraints in conducting such assessments, I would recommend that USAID missions, such as Benin's, maintain better archives of recent political events and activities that would serve as a resource for DG Assessment teams (and incidentally, visiting researchers). My concern, heightened by this report, is that the recent past in new democracies is being lost, and along with it a great deal of vital information. Though records from the transition periods were often successfully archived, young democratic institutions have not always followed suit. In my own experience, there is not one organization in Benin (nor in any other country, nor on the internet) an interested researcher could go to for all the national election results from 1991-2003, because the independent electoral commissions are re-established for every new election and the archives of each are not housed together. Similarly, to find information on election spending one has to travel to multiple agencies and rely on the kindness of officials in sharing their own archives. DG Assessment teams must identify and quantify political trends with few resources and little time, so they certainly cannot undertake this kind of piecemeal research. On the other hand, USAID missions (perhaps working in cooperation with the American Cultural Centers) would have a much easier time systematically collecting this information as it comes out, and keeping it archived and available for researchers as needed. Members of DG assessment teams could therefore have one ready source for recent political information upon which to build during their stay. The Assessment methodology seems sound, but USAID missions can improve effectiveness with systematic public record keeping.