Decentralization and Community Empowerment:
Does community empowerment deepen democracy and improve service delivery?

Derick W. Brinkerhoff, with Omar Azfar

October 2006

Paper prepared for:
U.S. Agency for International Development
Office of Democracy and Governance
Contract No. DFD-I-00-05-00128-00, Task Order No. 2

RTI International
701 13th Street NW, Suite 750
Washington, DC 20005

Derick W. Brinkerhoff is Senior Fellow in International Public Management at RTI International, and an associate faculty member at George Washington University's School of Public Policy and Public Administration. Omar Azfar is Associate Professor, Department of Public Management, John Jay College of Criminal Justice, City University of New York. Helpful comments on earlier drafts are acknowledged from Edwin Connerley, Robert Groelsema, Brian Levy, Janine Perfit, and Brian Wampler. The views expressed in this paper are solely those of the authors.

Table of Contents

I. Introduction

Decentralization is frequently recommended as a means to enact and deepen democratic governance and to improve administrative and service delivery effectiveness. While decentralization is often regarded as a top-down process driven by the unitary or federal state in which the center grants functions, authorities, and resources to subnational and local levels, impulses for decentralization can also originate from these lower levels. Closely associated with the bottom-up dynamic is local or community empowerment, whereby local actors, capacities, and resources are mobilized for collective action to achieve public purposes. Local governments and jurisdictions constitute the institutional loci where these top-down and bottom-up drives meet, thus an important question for the successful achievement of decentralization's democratic and service delivery aims is whether and how community empowerment interacts with local governments to further these objectives.

At first glance, one might expect community empowerment to help whenever decentralization does, because if decentralization moves government closer to the people, community empowerment moves it closer still. However, precisely because decentralization concerns politics and power as well as technocratic efficiency and effectiveness, the assumption that empowerment automatically enhances democracy and service delivery merits investigation. We explore the possibility that certain empowerment mechanisms may be vulnerable to cooptation and domination by elites and organized interests.

This paper focuses on community empowerment and explores its relationship to democratic decentralized local government. Besides looking at community empowerment as a contributor to the extent to which decentralization can strengthen democracy and service delivery, the paper also addresses how various degrees of decentralization influence opportunities for, and outcomes of, community empowerment. For example, bottom-up, demand-driven pressures from communities on local government will be successful only to the extent that decentralized institutional arrangements support an effective supply response. Local public institutions and actors need to be receptive to, and capable of accommodating, citizen engagement aimed at affecting policy decisions and service delivery. The demand side of democratic local governance cannot function effectively without the supply side. Critical to the supply and demand interplay between citizens and local government is the constitutional and legal framework that establishes citizens' political and civil rights, and enables them to exercise those rights.

In the following section we review the meaning of decentralization and the arguments for pursuing it. We discuss a set of expected outcomes that decentralization contributes to as a first step in developing a framework for assessing community empowerment's role in deepening democracy and improving service delivery. Section III defines community empowerment and examines the range of mechanisms employed to empower communities in relation to local government. Section IV frames issues for community empowerment that emerge as decentralization moves from deconcentration to democratic devolution. In Section V we address the question: how does community empowerment

improve the ability of decentralization to deepen democracy and provide better public services? Section VI looks in more depth at community empowerment and democratic local governance, and examines arguments that empowerment mechanisms may in some situations weaken, rather than support, democratic local governance. The final section offers conclusions.

II. Decentralization

Definitions

Decentralization deals with the allocation between center and periphery of power, authority, and responsibility for political, fiscal, and administrative systems. The most common definitions of decentralization distinguish variants along a continuum where at one end the center maintains strong control with limited power and discretion at lower levels (deconcentration) to progressively decreasing central control and increasing local discretion at the other (devolution). The devolutionary end of the continuum is associated with more democratic governance. Decentralization has a spatial aspect in that authority and responsibility are moved to organizations and jurisdictions in different physical locations, from the center to the local-level. And it has an institutional aspect in that these transfers involve expanding roles and functions from one central agency/level of government to multiple agencies and jurisdictions (from monopoly to pluralism/federalism).

In principle, accompanying the transfer of authority and responsibility and the expanded discretionary space to make decisions locally is a shift in accountability. Upward accountability to the center is supplemented with, or in the case of devolution largely superseded by, downward accountability. And indirect accountability, mediated by higher level authorities—what has been referred to as the "long route" to accountability (World Bank 2004)—is augmented with direct accountability, the "short route." The presence and the nature of decentralized accountability relationships are significant factors in creating options and avenues for community empowerment. As Ribot (2004) points out, an important question is whether or not decentralization choices, and the accountability structures and incentives they put in place for local government and local service delivery agencies, enfranchise communities.

Table 1 summarizes the different types of decentralization, and identifies the features that characterize local government under each type. Clearly, the contents of the table are stylized versions of local government's administrative, financial, and political dimensions under progressively more democratic decentralized governance systems. In reality, local governments (LGs) are much more complex and nuanced blends of these characteristics. The table illustrates that, in general, democratic local governance offers both a greater range of decisions and more autonomous decision space within that range to local government actors. However, the specific contours of that democratic space will be strongly influenced by how authority is distributed at the local level. Strong mayor-weak council systems create narrower space than systems that balance authority more evenly between mayors and councils, and that provide for citizen input to council meetings. For example, in Latin America, LGs are characterized by a strong executive who has both

policy and administrative roles. The executive wields considerable power, much more than the local legislature or council, both formally and informally. Mayors tend to fill several roles, for instance, as influential political party members and community leaders.

Table 1. Types of Decentralization and Impacts on Local Government

	Administrative	Financial/fiscal	Political
Deconcentration	LG follows central policies, plans according to central norms. Form & structure of LG centrally determined. LG staff are employees of central ministries, accountable to center. LG is service delivery arm of center, little or no discretion in service choice or mix, modes of provision. LG provides information upwards to center.	LG is dependent on center for funds; sectoral ministries and MOF provide spending priorities & budget envelope. LG has no independent revenue sources. LG reports to center on expenditure according to central formulas and norms. Center conducts LG audits.	No elected LG, officials appointed by center, & serve central interests. Civil society & citizens rely on remote & weak links to central government for exercising accountability. Little political space for local civil society, central elites control politics.
Delegation	LG follows central policies & norms, has some discretion to tailor to local needs, & to modify form & structure. LG staff may be mix of central and LG employees; LG has authority on hiring & placement; center handles promotion & firing. LG provides service menu set by center, some discretion in mix to fit local needs, & in modes of provision. LG provides most information upwards to center & selected information to local officials, citizens.	LG is dependent on center for funds; LG has some discretion on spending priorities within budget envelope. Block grants & conditional transfers from center offer some autonomy. LG has no independent revenue sources. LG reports to center and local officials on expenditure according to central formulas and norms. Center and LG conducts LG audits.	LG may be a mix of elected and centrally appointed officials. Local officials often tied to national party platforms, little discretion. Some local accountability, but strong central orientation. Some political space for local civil society.
Devolution	LG is subject to national norms, but sets local policies & priorities, plans autonomously in response to local preferences & needs. LG determines own form & structure. LG staff are employees of LG, which sets salaries, numbers, assignments, & handles hiring/firing. LG determines service mix, modes of provision, eligibility, & allocation. LG provides information to local officials, citizens.	LG sets spending priorities, plans how to meet service delivery obligations given resource availability. LG has mix of own-source revenues, revenue-sharing, central transfers. LG may have some authority for debt financing, but is subject to a hard budget constraint. LG reports to local officials and citizens on expenditure according to central formulas and norms. LG is responsible for audits, reports results locally and to center.	Locally elected officials lead LG, may or may not be linked to national parties, platforms respond to constituent demands and needs. Strong local accountability, LG shapes budget priorities, investments, service mix to fit local preferences and needs. Broad political space for local civil society.

Source: From Brinkerhoff and Leighton (2002), Johnson (1995), World Bank (2004).

Expected Outcomes

Two broad categories of outcomes anticipated from decentralization are usually identified: those related to deepening democracy and those concerning improved service delivery. The distinction between these two categories is not hard and fast. In the list

developed below, we acknowledge that there is overlap and positive feedback between the democracy and service delivery outcomes; in actual fact many of these lie somewhere along a continuum that might go from "pure" democratic deepening to "pure" service delivery improvement.

The concept of democratic deepening emerged from the literature on democratic transitions and waves. It generally refers to processes of consolidation and institutionalization such that democracy becomes "the only game in town" (Diamond 1997: xvii) or a "meaningful way for diverse sectors of the populace to exercise collective control over the public decisions that affect their lives" (Roberts 1998: 2). Democratic deepening concerns not simply the structures and procedures by which democratic governance is exercised, but its quality and substance (Gaventa 2005). For example, in principle, the existence of formal representative structures provides for political participation for all citizens. Yet in practice, if political parties and elections function such that the interests of the poor, women, and/or minorities are consistently excluded, then the quality of democracy is called into question. Along this vein, subsequent debates emphasize issues of inclusiveness and participation, arguing that deepening democracy requires the active engagement in public affairs of citizens from all socioeconomic strata (see Fung and Wright 2003a). Decentralization, particularly its devolutionary variant and the political dimension, is recognized in the democracy literature as contributing importantly to democratic deepening, but with the caveat that elite capture is a danger requiring explicit countervailing measures to avoid (e.g., Bardhan and Mookherjee 2000, UNDP 2002).

Central-local relations play an important role in influencing whether decentralization achieves democratic outcomes, particularly the configuration of power relationships between central and regional/local elites (Manor 1999, Crook 2003, Crook and Sverrisson 1999). The existence of multiple layers of government in decentralized democracies creates a separation of powers that can provide checks on actions at various levels. Different levels of government can then discipline each other. As Das Gupta et al. (2004) note, central governments can exercise their power over sub-national levels to support the achievement of national development objectives, such as poverty reduction. In Indonesia, a recent study (Olken 2005) found that increasing the likelihood of audits by a central government agency reduces corruption in local governments.

Much of the decentralization literature focuses on the second outcome category, service delivery. Major analytic threads focus on how decentralization improves allocative efficiency through matching services with citizen preferences, increases service production efficiency and cost recovery, and affects intergovernmental fiscal relations (see, for example, Azfar et al. 2001, Shah and Thompson 2004, Oates 1999, Tiebout 1956). Related threads explore decentralization's impacts on service providers' incentives for accountability, innovation, and equitable distribution (e.g., Dillinger 1994).

For our purposes we select the following specific outcomes to explore in this paper. We address three decentralization outcomes that deepen democracy and three that contribute to improved service delivery. We recognize that this list is far from comprehensive;

given the extensive literatures on democracy and decentralization, generating such a list is beyond the scope of our endeavor.

Deepening Democracy

1. Improved accountability and responsiveness to a broad range of citizens.
2. Improved skills and capacity of citizens to participate effectively in public affairs.
3. New and expanded cadre of leaders with democratic skills that can transform the contestability of political markets.

Improved Service Delivery

1. Better matching of public services to citizens' needs and preferences.
2. Improved technical efficiency because of "a race to the top" as different jurisdictions compete with each other for tax paying firms and residents by providing more attractive service mixes and incentives.
3. Increased innovation as problems are solved at the local level and as successes are disseminated.

III. Community Empowerment

Definitions

Conceptually, community empowerment is closely allied with citizen participation, and shares with that literature the diversity of perspectives that range from normative and prescriptive to empirical, and from a focus on community empowerment as a process or an outcome (see, for example, Craig and Mayo 1995, Mansuri and Rao 2004). Just as with participation, numerous analyses seek to parse empowerment in terms of whether it is "real" or "genuine." However, empowerment is more usefully viewed in instrumental terms, as contributing to achieving particular purposes. This perspective, as opposed to a normative stance, is the one we take here. There is a wide variety of analytic approaches to empowerment (see Narayan 2005). All deal in one way or another with state-society relations. As Uphoff (2005) notes, a core issue is the power dimension.

From its original meaning of to invest with decision-making power and authority, definitions of empowerment have expanded to include: having access to information and resources, having a range of choices beyond yes or no, exercise of "voice" and "exit," feeling an individual or group sense of efficacy, and mobilizing like-minded others for common goals. These latter elements reflect a perspective on empowerment that encompasses psychological capabilities, including belief in citizenship rights, and aspirations to a better future (see Cornwall and Gaventa 2001, Diener and Biswas-Diener 2005, Appadurai 2004).

Combining community with empowerment emphasizes the essentiality of collective action to the concept. Community empowerment concerns how members of a group are able to act collectively in ways that enhance their influence on, or control over, decisions that affect their interests. Although a community is often defined generically as a group of people living in the same locality and under the same government, we employ a working definition that focuses on the collective action dimension: a community is a

group that shares a sufficient commonality of interests such that its members are motivated to engage in collective action.

This definition does not mean that everyone agrees, or that there are no socio-economic divisions or conflicts within a community. We do not subscribe to the view that equates community with egalitarian harmony, a theme that Campfens (1997), for example, identifies as one enduring intellectual tradition in the community development literature. Particularly in countries with weak civil societies, or post-conflict situations where societies exhibit deep socio-ethnic cleavages, collective action capacity within a community is likely to be fragile and easily broken through internal distrust or external efforts by state actors to exert control.

Further, this definition does not assume that all members of a community engage equally in collective action. Communities are made up of individuals, and in practice empowerment is most likely to emerge first among a small group of motivated community members, before expanding to a broader base of citizens though constituency building, education, and outreach. It is unrealistic to expect that large numbers of individuals will necessarily be interested *ex ante* in collective action. Rather, it is more reasonable to assume that small numbers of community representatives will engage initially, acting on behalf of their communities. Empowered individuals can significantly advance a collective agenda, even in some cases spurring an emboldened minority to advocate on behalf of their community.

An extensive political economy literature addresses the possibilities and limits of collective action, beginning with Olson's classic work (1965), and in the international development context pursued by—among others—Ostrom and her colleagues, who have focused on community management of common pool resources (e.g., Ostrom 1990). This literature has concentrated on self-governance at the community level and has tended to downplay the connections between local self-governance institutions and the vertical structures of state governance (Agrawal 2001). The state-community linkage is picked up explicitly in the literature that addresses poverty-focused development and service delivery for the poor. For example, the World Bank's research on poverty reduction highlights empowerment as key to meeting the needs and demands of the poor (Narayan 2002) and to enable accountability to the poor (World Bank 2004). Programmatically, this research has informed the design of the Bank's support to poverty reduction strategies and community-driven development (see Binswanger and Aiyar 2003).

Drawing upon these analytic streams, we define community empowerment operationally in terms of four elements. Communities are empowered if they: 1) have access to information, 2) are included and participate in forums where issues are discussed and decisions are made, 3) can hold decision-makers accountable for their choices and actions, and 4) have the capacity and resources to organize to aggregate and express their interests and/or to take on roles as partners with public service delivery agencies. Information is essential to engaging communities in democratic governance and/or service delivery; when citizens lack information about what local governments are doing they are powerless to move beyond being passive recipients of whatever public officials

provide them. Empowerment requires that communities are able to gain entrée to the venues in which deliberation and decision-making take place, and that they have the capacity to participate effectively. For example, public meetings on community school issues need to be scheduled at times that parents are likely to be available with sufficient advance notice that they can plan to attend; plus the presentation of the issues needs to be accessible to non-specialists. Empowered communities can take steps to assure that public officials adhere to their promises and plans through the exercise of accountability mechanisms. Finally, empowerment calls for sufficient organizational capacity of local groups to take on a variety of functions, depending upon particular situations. For example, communities engaged in service co-production need management capacity to plan, operate, and sustain service delivery in cooperation with public agencies. Local groups engaged in lobbying for their interests and pushing for reforms need organizational capacity to forge alliances with others, develop advocacy campaigns, address technical policy issues, and mobilize political clout.

Mechanisms

This section identifies mechanisms to strengthen community empowerment. For purposes of presentation, we categorize mechanisms according to the four constituent elements of the definition of community empowerment discussed above. However, we recognize that most of the mechanisms contribute to more than one of the empowerment elements. For example, mechanisms that enhance access to information help communities to participate more effectively and exercise accountability. Further, we distinguish between: a) mechanisms that result from decisions taken by state actors and where outcomes are determined in state-centered arenas (executive agencies, legislatures, courts), and b) those mechanisms where the impetus comes from non-state actors and outcomes are resolved in public arenas that in many cases are independent of the state. These two arenas are both interconnected and, in some situations, overlapping, but this distinction highlights the importance of empowerment as a source of countervailing strength on the part of communities vis à vis the state. In a democracy, community empowerment is less something that state actors bestow upon communities at their discretion, than it is a right or a demand that communities exercise in their relations with the state. Table 2 provides a summary of the mechanisms to be discussed.

Table 2. Community Empowerment Mechanisms

	Information	Inclusion/participation	Accountability	Local organizational capacity
State-centered arena	-Access to information laws (FIOA) -Sunshine laws -Open hearings -Public expenditure tracking surveys	-Participatory budgeting -Quotas for women and minorities -Joint planning -Laws on participation -Question periods	-Citizen review boards -Local councils -Elections -Litigation	-Parents' associations -School committees -Health committees -Natural resources co-management contracts
Society-centered arena	-Citizen report cards -Media reporting -Information/ Advocacy campaigns -Civic education	-Grassroots movements -"Journées de réflexion"	-Referendums -Recalls -Watch-dog NGOs -"Observatoires"	-CSOs/NGOs -Social capital formation -Church groups

Source: Adapted from Narayan (2002).

Access to information

As we noted, access to information is the basic foundation for empowerment, thus core empowerment mechanisms that reside within the state's legal and institutional structures include laws and procedures that make information available and transparent. These include freedom of information acts (FOIAs), so-called sunshine legislation that mandates government to disseminate budget and program documents, and procedural requirements for open hearings on matters of concern to communities. A donor-initiated mechanism is the public expenditure tracking survey (PETS), which documents resource flows between different levels of government from the central to the local with the aim of giving information to local communities regarding funding for services, such as health or education (see Reinikka and Svensson 2004). These surveys track leakage and time lag. Originally applied to education expenditure in Uganda with support from the World Bank, PETSs have spread to other countries and sectors. The information they provide can be used by communities to hold service providers accountable, and to fight corruption.

Empowerment mechanisms in this category that emanate from non-state actors include citizen report cards, the investigations and reporting of independent media, information/advocacy campaigns by civil society organizations (CSOs), and civic education programs. Citizen reports cards have gained in popularity since their introduction in India by the Public Affairs Centre (PAC), a civil society organization established in 1994 in Bangalore. PAC developed a methodology to monitor citizen satisfaction with public services and policies, based on perceptions of quality, efficiency, adequacy, and extent of corruption. In 1999, PAC conducted a report card study in the city of Bangalore as a follow-up to its initial study, undertaken in 1994 (Paul and Sekhar 2000). After conducting the study, PAC first presented report cards to four of the key service providers (telecommunications, water, electricity, and the municipal government) to solicit reactions. After these initial meetings, PAC circulated its report to all public agencies, senior state government officials, and held a press conference for the media, which gave the results wide coverage. The World Bank and other international agencies

have helped to spread report cards to other countries, and PAC now offers assistance to other organizations to conduct the surveys.

An example of a civil society-initiated information campaign is the South Africa Women's Budget Initiative (WBI). Started in 1995 by the South African advocacy NGO, IDASA, the WBI has analyzed the impacts of the government budget on different groups. It relied on researchers from NGOs and academic institutions, but also included parliamentarians and civil servants. The initiative influenced policy makers as they prepared South Africa's budget (Budlender 1998). The WBI's members organized a number of conferences and workshops that served as forums to foster an exchange of views and to generate consensus. In most instances, the media were included in recognition of their important role in educating the public on economic issues.

Civic education programs seek both to inform communities and to mobilize citizen action regarding democratic governance. Such efforts frequently include topics such as democratic values, the structure and processes of democratic systems, political party functioning, elections and voting, and citizen rights and responsibilities. For example, USAID supported numerous civic education programs in countries of the former Soviet Union, in South Africa, and more recently in Iraq (Blair 2003, Finkel 2003, Brinkerhoff and Mayfield 2005).

Inclusion/participation

Mechanisms to foster inclusion and community participation range from legally mandated measures such as Bolivia's law on participation and India's quotas for women and minorities in local legislatures (see Chattopadhyay and Duflo 2003), to procedural routines in public agencies, such as joint planning exercises with communities and service providers or question and notice periods for pending regulations and laws. These latter offer communities the opportunity to give public officials their views before laws are promulgated in final form. Probably the most widely recognized procedural empowerment mechanism is participatory budgeting. The now famous case of the Brazilian municipality of Porto Alegre is the source of this increasingly popular mechanism for citizen and community participation.

In the 1980s, the city of Porto Alegre faced two problems: increased demand for services and severe budget shortfalls. This made the distribution of resources contentious and problematic. The city's newly elected leadership from the workers' party addressed these problems by designing a participatory budget in 1989. By 1995, the city's regional meetings, which were coordinated by the municipal government, drew over fourteen thousand participants. Adding these individual participants to the local associations and popular organizations that participated, Porto Alegre's mayor estimated that over 100,000 people were engaged in the creation of the city budget. These processes led to the prioritization of problems that people agreed were most worthy of attention, and to the selection of practicable solutions to them (see Baiocchi 2003, Heller 2001). The experience of Porto Alegre has led to widespread dissemination of similar participatory

budgeting exercises both in other Brazilian cities and other countries (see Brautigam 2004, McNulty 2006).

Grassroots movements are an example of a community empowerment mechanism that originates outside of local or national government structures. Landless peasant movements pushing for agrarian land reform are an example, such as the "Movimiento dos Trabalhadores Rurais Sem-Terra," formed in 1984 in Brazil, which used techniques of mass peaceful land occupations to pressure state governments to change land policies (Wright and Wolford 2003). Grassroots movements bring into relief the political nature of empowerment mechanisms when they are used to challenge state power and the dominance of local elites, in the Brazilian example, large landholders.

Another society-centered example of an empowerment mechanism that fosters inclusion is civil society dialogue forums or "journées de réflexion" (reflection days), as they are called in francophone Africa. These mechanisms were often used to facilitate citizen consultations as input to Poverty Reduction Strategy Papers (PRSPs). The case of Bolivia illustrates a situation where CSOs' negative experience with a government-initiated participatory process, the First National Dialogue in 1997, led to a second exercise in which civil society groups, under the umbrella of the Catholic church, organized the dialogue. The First Dialogue gave insufficient time to CSOs to access information and develop policy positions. There was little follow-up, fueling suspicion and skepticism within civil society about the official approach to national debates on macroeconomic management (Coventry 1999). Civil society groups overcame their disappointment and responded to the government's call for participation in the Second National Dialogue in the spring of 2000 to launch a new discussion of growth and equity issues under the aegis of the PRSP. The church-led forum extended participation to the municipal level whereas the first effort consulted only national-level CSOs. The meetings generated a number of proposals for the use of PRSP funds, many of them critical of the government's existing macroeconomic policy framework.

Accountability

Accountability is defined as a relationship where one party has the obligation to answer questions regarding decisions and/or actions posed by another party, and the accountable party is subject to sanctions for failures or transgressions (see Schedler 1999). Horizontal accountability concerns the classic separation of powers, but also includes a variety of oversight entities, such as audit offices, ombudsmen, courts of accounts, electoral commissions, and so on. Vertical accountability refers to actors located outside the state that play a role in holding state actors accountable.

Community empowerment mechanisms figure largely in regard to this latter type of accountability. In democracies, the classic empowerment mechanism that addresses vertical accountability is voting, either in general elections or referendums. Whether or not elections actually serve to empower local communities to exercise accountability is a question that is the topic of a large literature (see the summary in Schroeder 2003, see also Brinkerhoff 2005). Clearly, much depends upon the rules in place that govern

elections. For example, in Indonesia even though new laws establish direct voting for regional parliament members and mayors, the impact on local accountability is blunted by existing laws that preclude the possibility of independent (non-partisan) candidates for regional office, which means that officials' loyalties are oriented to national political parties rather than to local citizens (DEMOS 2005).

Local councils, which may or may not consist of elected members, are another community empowerment mechanism. As with elections, the extent to which councils can and do empower communities depends heavily upon the rules by which they operate. For example, the shift from a weak to a strong mayor system in Zimbabwean cities in the mid-1990s increased the accountability of local public officials to elected representatives of the municipalities (Olowu 2003). Uganda has a local council system with reserved places for women, youth, and persons with disabilities (Devas and Grant 2003). In post-war Iraq, for example, USAID assistance for local governance put in place local councils as mechanisms to introduce accountability for service delivery and responsiveness to community needs at the local level (Brinkerhoff and Mayfield 2005). Peru's recent reform efforts seek to incorporate community groups into local and regional planning, but the success of these efforts is strongly influenced by the political will of regional governors and by communities' belief in the potential effectiveness of the participatory planning structures (McNulty 2006).

Citizen review boards are another type of accountability-focused empowerment mechanism. For example, Bolivia's popular participation law established oversight committees ("comites de viligancia") made up of elected community organization leaders to review local government investment plans for conformity with community priorities and municipal council decisions (Faguet 2001). A similar structure can be found in several francophone African countries called "observatoires," or observatories. These are legally mandated but independent organizations charged with oversight of particular sectoral activities. For example, Madagascar passed a law in 2001 to set up a Forest Sector Observatory to serve as an external oversight and monitoring body for forest management and exploitation in response to problems of corruption. Such entities often straddle the border between horizontal and vertical accountability; they have formal legal standing to perform their oversight function, and thus are part of a state system of checks and balances, but they depend upon non-state actors for their functioning.

Related to observatories, but established apart from a governmental initiative, are NGO "watchdog" groups that take on a monitoring and reporting function, often taking government plans and then comparing the extent to which those plans are respected. Their vertical accountability power comes from publicizing their findings, publicly exposing cases of failure to deliver services as mandated or of malfeasance, mobilizing citizens to pressure decision-makers for redress and correction, and in some situations pursuing litigation. Smulovitz and Peruzzoti (2000) label this variant of vertical accountability, societal accountability, to distinguish it from elections and to highlight the importance of civil society and NGOs in exercising this form of empowerment (see also Goetz and Jenkins 2004).

In the Indian state of Gujarat, for example, a local NGO, DISHA (Developing Initiatives for Social and Human Action) illustrates empowerment through societal accountability. DISHA decided to monitor the state's budget to determine whether funds allocated to provide services for the poor and tribal were actually spent on them. After a struggle to obtain the documents, DISHA issued its first budget analysis in 1993, revealing a large gap between stated and actual pro-poor expenditure. DISHA expanded its analytic program to disseminate information about the budget and budgetary process, as well as its analysis, to policy makers, members of the community and the press. It also organized training programs to teach other NGOs about how the state government budgetary process works. DISHA has contacted many NGOs within the state and in other states to share this information and the skills it has developed. DISHA's founder went on to establish a populist political movement (Buhl 1997).

Local organizational capacity

There are numerous examples of organizational mechanisms that empower communities both to engage with public agencies in service delivery partnerships and to undertake autonomous collective action. In the education sector, parents' associations and school committees serve to incorporate the views and desires of communities into decisions related to their children's education. In some cases, these organizations give community members management and oversight authority. Such mechanisms become, in effect, learning laboratories for the participants, enhancing communities' organizational capabilities over time.

For example, Madagascar has two community organizations in the education sector. The FRAM is the association of parents of students. It is supported by voluntary contributions from its members; in communities whose schools do not have enough teachers, FRAMs have hired teachers on a contract basis, paying them with a combination of money, bags of rice, and donated agricultural labor and land. FRAM members also provide in-kind support to school operations and rehabilitation, volunteering to carry materials and supplies to remote schools where vehicles cannot reach, and contributing labor to school projects as needed. FRAM leaders are elected by the community. The FAF, a government-community partnership organization for school development (known by its Malagasy acronym), was created by a ministerial decree in 2002, in response to the need for a formal organization to receive World Bank funds. Its partnership structure combines civil servants (school directors) with elected community members to manage resources devoted to support schools through a fund whose transactions are publicly posted to assure transparency (Brinkerhoff 2004).

Self-governing irrigation associations in Asia are another example, well documented by Ostrom (1990) and Tang (1992). They analyzed how farmers in countries such as Nepal, Bangladesh, and the Philippines have organized themselves to handle water distribution and canal maintenance, to devise and enforce monitoring systems and rules, and to interact with officials of public irrigation agencies. They identified the importance of trust and communication to self-governance, factors that play a role in the creation of social capital, a resource identified in the literature on empowerment as important to local

organizational capacity (see Narayan 2005). Other organizational forms linked with community empowerment capacity include village health committees (Cornwall et al. 2000), forestry co-management organizations (Ribot 2004), microcredit networks (Narayan 2002), and faith-based groups such as the Catholic church that organized the citizen dialogues for input to the PRSP in Bolivia.

IV. Community Empowerment and Decentralization

Table 3 adds the community empowerment dimension to the previously developed picture of local government under different types of decentralization presented in Table 1. As with the previous table, this one presents an idealized view for purposes of illustration. The table here reveals several core points. First, the more decentralization moves toward democratic devolution, the greater: a) the space for communities and citizens to exercise voice with local officials, and b) the space for local officials to exercise discretion in response to citizen preferences. As noted above, the distribution of LG authorities has an impact on how this space can be exploited. Without such space, though, community empowerment mechanisms will have difficulty functioning. Second, delegation and devolution call for higher levels of LG capacity, and thus capacity deficits may constrain the chances that LGs can respond to citizens' preferences. Third, increasingly democratic forms of decentralization do not necessarily reduce the incentives for poor and marginalized groups to seek clientelist relationships.

These findings confirm that as the potential for positive democratizing synergies between decentralization and community empowerment expands, so too does the need for local government capacity. The necessary capabilities involve skills that may not be strong among local officials. They will be called upon to conduct town or neighborhood meetings, explain policies and options, mediate conflicts, and work toward consensus. LG capacity alone cannot ensure that local discretion will result in choices that are citizen-responsive or democratic. It may simply enhance the power of local elites without checks and balances across levels of government. The triangles of accommodation discussed by Migdal (1988) often link local officials, politicians and strongmen in tight networks, limiting citizen access through the formal mechanisms of government. In some cases, the local penetration of the central state is so weak that strongmen can predominate with little outside interference. In others, political elites at the center who maintain their power through hierarchical connections with local officials act as a check on local discretion to respond to the demands of other interests, such as the poor (Crook 2003). In still other situations, for example, the Mexican municipalities Grindle (2007) studied, citizens petition for services from power-holders at the center when LG officials prove unresponsive. Hence, clientelist relationships and patronage persist despite *de jure* democratic local governance (Brinkerhoff and Goldsmith 2004).

It is clear that the interests and strategies of political parties, politicians, bureaucrats, and community activists will influence prospects for community empowerment. Some governments may pursue efforts to increase empowerment and decentralization because they believe that it is in their interest to do so, and that as a result they will be strengthened. Conversely, however, governments that perceive little to gain from

increased openness, transparency, and direct citizen involvement will be less likely to support empowerment efforts. As with any reform, entrenched interests that benefit from the current institutional environment will resist changes, for example, to expand the set of rights available to citizens and to establish mechanisms to empower communities. Dealing with resistance at the local level calls for political will and proactive intervention from the center.

However, the effectiveness of checks and balances exercised by higher levels of government, as Crook's (2003) cautionary article warns, depends upon the relationship between local and national elites. Whether community empowerment at the LG level can achieve its potential is related to the existence of commitment at those higher levels to engaging local citizens in the business of service delivery. Among the best-known examples, is Tendler's (1997) widely cited study of participatory health service delivery in the Brazilian state of Ceará, where state health officials set and enforced the standards for hiring and performance of community health workers (which avoided clientelism in hiring), while establishing local structures and procedures that engaged local health service users as active participants in assessing health worker performance.

Table 3. Decentralization, Local Government, and Issues for Community Empowerment

	Administrative	Financial/fiscal	Political	Community empowerment issues
Deconcentration	LG follows central policies, plans according to central norms. Form & structure of LG centrally determined. LG staff are employees of central ministries, accountable to center. LG is service delivery arm of center, little or no discretion in service choice or mix, modes of provision. LG provides information upwards to center.	LG is dependent on center for funds; sectoral ministries and MOF provide spending priorities & budget envelope. LG has no independent revenue sources. LG reports to center on expenditure according to central formulas and norms. Center conducts LG audits.	No elected LG, officials appointed by center, & serve central interests. Civil society & citizens rely on remote & weak links to central government for exercising accountability. Little political space for local civil society, central elites control politics.	LG has little capacity & few incentives to seek community input or be responsive to local needs. No incorporation of local preferences in service mix. Local communities & poor seek clientelist & patronage relationships with elites at center.
Delegation	LG follows central policies & norms, has some discretion to tailor to local needs, & to modify form & structure. LG staff may be mix of central and LG employees; LG has authority on hiring & placement; center handles promotion & firing. LG provides service menu set by center, some discretion in mix to fit local needs, & in modes of provision. LG provides most information upwards to center & selected information to local officials, citizens.	LG is dependent on center for funds; LG has some discretion on spending priorities within budget envelope. Block grants & conditional transfers from center offer some autonomy. LG has no independent revenue sources. LG reports to center and local officials on expenditure according to central formulas and norms. Center and LG conducts LG audits.	LG may be a mix of elected and centrally appointed officials. Local officials often tied to national party platforms, little discretion. Some local accountability, but strong central orientation. Some political space for local civil society.	Citizens have some local voice & accountability links, but center remains able to override local decisions. Some incorporation of local preferences. Blended center-local accountability offers some limited options for community empowerment. Local officials have relatively weak incentives to respond to citizen demands. Poor retain clientelist links to center for some services.

	Administrative	Financial/fiscal	Political	Community empowerment issues
Devolution	LG is subject to national norms, but sets local policies & priorities, plans autonomously in response to local preferences & needs. LG determines own form & structure. LG staff are employees of LG, which sets salaries, numbers, assignments, & handles hiring/firing. LG determines service mix, modes of provision, eligibility, & allocation. LG provides information to local officials, citizens.	LG sets spending priorities, plans how to meet service delivery obligations given resource availability. LG has mix of own-source revenues, revenue-sharing, central transfers. LG may have some authority for debt financing, but is subject to a hard budget constraint. LG reports to local officials and citizens on expenditure according to central formulas and norms. LG is responsible for audits, reports results locally and to center.	Locally elected officials lead LG, may or may not be linked to national parties, platforms respond to constituent demands and needs. Strong local accountability, LG shapes budget priorities, investments, service mix to fit local preferences and needs. Broad political space for local civil society.	Civil society & citizens have strong links to LG for expressing voice, exercising accountability. Local officials have strong incentives & capacity to be responsive to citizen preferences & demands. Risk of local elite capture of LG. Poor develop clientelist and patronage relationships with local elites, as well as maintain those with center.

Source: Adapted from Brinkerhoff and Goldsmith (2004), Brinkerhoff and Leighton (2002), Johnson (1995), World Bank (2004).

V. Community Empowerment's Contribution to Decentralization Outcomes

We now turn to the question: how does community empowerment help in attaining the benefits that decentralized, democratic local government is conjectured to produce? We consider decentralization's expected outcomes, associated with deepening democracy and improving service delivery, and the role community empowerment may play in contributing to them.

Improved accountability and responsiveness

A core democratic outcome expected from decentralization is improved accountability and responsiveness to increased numbers of citizens through the creation of sub-national jurisdictions. Local governments with delegated and devolved powers and authorities deal with issues and services of direct concern to their constituents, and through elections, referenda, and open governmental processes and procedures (e.g., town hall meetings, council hearings and committees, "one-stop shop" service centers, ombudsmen) face pressures to respond to citizen concerns and to be accountable for decisions taken. These sub-national jurisdictions create in essence multiple versions of the long route to accountability, and shorter ones when compared with citizen connections to national government (World Bank 2004). In principal-agent terms, citizen/principals exercise voice through their agents, elected local officials, who then in their role as principals create service delivery compacts with service providers (agents) to furnish citizens with the public goods and services they need and want. These principal-agent links are nourished with information, which allows the principals to determine whether their agents are in fact acting according to their wishes. Decentralization is said

to provide better information flows at the local level than at the national level due to proximity between principals and agents.

Regarding the extent to which this expected outcome of decentralization is found in practice in developing countries, much of the literature reveals negative or highly circumscribed findings. Crook (2003), for example, looking at African decentralization and responsiveness to local citizens for poverty reduction, finds few traces of a relationship. In a comparative study of Uganda and the Philippines, Azfar et al. (2001) find little evidence of local election voting being driven by service-delivery concerns. Further, this study revealed that citizens tended to obtain information on local government performance from community leaders, rather than independent sources. As a result, their potential to hold officials accountable was constrained by an inability to form accurate judgments of the results of local officials' actions since community leaders showed a positive bias in the opinions they expressed about local governments.

How might community empowerment help increase the accountability and responsiveness of local governments? Information is a prerequisite for any effective exercise of accountability, thus mechanisms to provide information—such as FIOAs, PETSs, and citizen report cards—to the extent that they offer community members information on government intentions, plans, activities, and results, provide fundamental input to accountability and responsiveness. Community empowerment mechanisms that increase participation and inclusiveness, such as participatory budgeting, also improve information flows about government performance. In addition, they bring community members into the budgetary process itself, strengthening the responsiveness of government by influencing spending priorities. Other community empowerment mechanisms are explicitly designed to increase vertical accountability, such as citizen review boards, local councils, and watchdog NGOs. Local organizations, such as school or health committees, can increase responsiveness through their membership of community service users, which creates a structure where providers interact with users on a regular basis.

Some evidence points toward the effectiveness of community empowerment in vertical accountability and oversight, particularly in cases where service delivery is easily observable by communities. Olken (2005), in a randomized comparative study of Indonesian municipalities, found that community participation in anti-corruption monitoring was effective in cases where residents had access to information and a direct interest in reducing theft, such as subsidies for food, health care, or education. Jimenez and Sawada (1999) found that decentralized community-managed schools in El Salvador, where associations with locally elected leadership from parents were involved in hiring and monitoring teachers and in managing school supplies and facilities, had lower teacher and student absenteeism, and improved educational outcomes. The case studies in Cornwall et al. (2000) provide examples of village health committees and local health councils where communities played an integral role in accountability of public health service providers to community needs.

Numerous studies of these mechanisms reveal that their effectiveness in empowering the poor and marginalized is mediated strongly by political power. Regarding FOIA, for example, a set of studies in six states in India (Goa, Karnataka, Kerala, Maharashtra, Rajasthan, and Tamil Nadu) documents the struggles of local civil society groups to use right-to-information provisions to obtain information on pro-poor state spending and corruption in the face of bureaucratic stonewalling and elite hostility, and this in one of the most democratic nations in the developing world (Jenkins and Goetz 1999, Goetz and Jenkins 2001, Goetz and Jenkins 2004). PETSs have had the benefit of having been supported by the power of the World Bank and the International Monetary Fund, which have employed them as analytic input to poverty-focused loan packages. Porto Alegre's experiment with participatory budgeting was launched in the wake of the electoral victory of the workers' party. Thus, without the motivation of politicians to create a base of political support, the acclaimed community empowerment results would not have been achieved, a factor that some enthusiasts for participatory budgeting have overlooked.

Regarding citizen committees, Rao and Ibanez's (2003) quantitative study of beneficiaries of the Jamaica social investment fund found that local elites, the better educated and better connected, dominated decision-making for the fund. Shatkin's (2000) study of community empowerment in municipal government in Manila revealed that civil society organizations faced competition from powerful business interests in their often unsuccessful efforts to influence public officials to respond to their needs. A study of community involvement in hospitals in South Africa found that community members serving on hospital boards, ostensibly to increase hospital responsiveness to community needs, were at a disadvantage in the face of the superior technical authority and political clout of the medical profession (NPPHCN 1998).

The evidence on community empowerment's role in enhancing democratic local government through increased vertical accountability is mixed. As the various studies cited above indicate, the effectiveness of empowerment mechanisms for accountability purposes is muted by existing distributions of social and political power, both nationally and at the local level. Community participation in local government does not lead to more accountability absent: a) local political support for such involvement, as in the case of the newly elected workers' party in Porto Alegre; and b) discipline imposed by higher levels of government. Regarding this latter point, Olken (2005) found that community monitoring, while increasing local participation in oversight, had little effect on local government corruption in infrastructure spending; on the other hand, accountability to the national government, in the form of an increased probability of an audit, proved more effective. Similarly, Grindle (2007) finds in a number of the Mexican municipalities she studied that decentralization did not increase accountability. Brautigam (2004) also echoes this view, noting that horizontal accountability institutions of central government are more effective in curbing local government corruption than community monitoring.

Improved skills and capacity to participate effectively in public affairs

Democratic decentralization that devolves decision-making authority, accompanied by resources to implement decisions (combined revenue-raising capacity with

intergovernmental transfers), creates the conditions for local governments to become institutional arenas where citizens learn democratic skills and how to exercise their rights. Deepening democracy requires expanding the numbers of citizens who are able to participate effectively in public affairs, and democratic local government offers potential participatory possibilities to large numbers of citizens. However, to take advantage of those participatory options, citizens need skills along with motivation. As Gaventa says, writing about Appalachia, that part of the US that has sometimes been compared to a developing country, "citizen participation does not just happen, even when the political space and opportunities emerge for it to do so. Developing effective citizenship and building democratic institutions take effort, skill, and attention" (1999: 50). The experience of deliberating in public forums and voting on issues close to home, such as education, street lights and garbage collection; making tax and budget choices and monitoring the results can expand citizens' skills. Positive experiences with local government can lead to citizens who have a deeper faith in the democratic process, are more willing to participate in it, and are more willing to defend it. These experiences help citizens to learn how government works, to gain confidence in interacting with local officials, and to understand how to protect and pursue their political and civil rights.

How does community empowerment help to build these skills among citizens? Community empowerment mechanisms like participatory budgeting, citizen oversight committees, service delivery report cards, information campaigns, notice and comment, and direct elections, referendums and recalls all offer avenues for citizens to engage with local governments in a variety of voice-related activities. To the extent that communities pursue these various options, their members have the potential to build democratic participation skills. Not all these mechanisms are equal in terms of such skills. Voting is often thought of as a relatively passive activity, without much skill involved. Yet when we think about voting as an act of voice that connects candidates for office with issues, policies, and outcomes, then the element of democratic skills becomes more evident. Communities that understand these connections will be better able to vote in ways that help them advance their interests, subject to the constraints imposed by the rules governing elections (e.g., party-list systems). However, Azfar et al. (2001) found that local voters tended not to make electoral choices based on issues, which lends a cautionary note to such interpretations. Patterns of personality-based politics are well-recognized in developing countries, with voters casting their ballots based on who is running for office, not what they stand for. We should remember, however, that in societies where policy decisions are dominated by patronage, such voting behavior may in fact demonstrate a savvy degree of democratic skills (Brinkerhoff and Goldsmith 2004, 2005). As Grindle (2007) demonstrates in Mexico, communities are often well-informed about the personal interests and backgrounds of elected and appointed officials, and are able to use that knowledge to extract benefits from the state.

The more active empowerment mechanisms, cited in the literature on local organizational capacity building and on social capital formation, are credited with skills development in areas such as joint planning and budgeting, monitoring government performance, preparing advocacy campaigns, and so on (see the chapters in Narayan 2002, 2005). The DISHA case, mentioned above, illustrates how the budget analysis skills the organization

developed provided DISHA members with an analytic capacity that surpassed that of many legislators. DISHA employed that capacity to advocate for the rights of disempowered tribal groups. The case of the Self-Employed Women's Association (SEWA), also from India, is a well-known example of how efforts to empower poor, marginalized women in the informal sector have led not just to economic benefits for women, but have built their leadership capacity, self-confidence, and ability to interact with government officials and policy-makers (Blaxall 2004).

The literature on community-driven development and social capital notes that, among the outcomes of community empowerment, are skills and capacity for collective action (see the summary in Mansuri and Rao 2004). These skills are instrumental for citizens' abilities to mobilize to express their interests, advocate for their rights, and exercise democratic governance functions. Donor-supported programs, such as the World Bank's Kecamatan Development Program in Indonesia, engage communities in large-scale participatory planning and management schemes for local service delivery. Through involvement in the process of implementation, villagers acquire skills and capacity for collective action that can enhance prospects for continued progress with democratic decentralization (Guggenheim et al. 2004). These capacities can extend democratic governance beyond the program sites through demonstration effects, constituency mobilization, and confidence building.

However, these skill and capacity gains are mediated by local and national power structures. As the study of the Jamaica social investment fund showed, the better-off community members were the ones who gained (Rao and Ibanez 2003). Das Gupta et al. (2004) discuss cases where local clientelist social relations limited communities' abilities to apply their new collective action skills. A sobering finding emerges from a study in Indonesia of participation in village-level government (Alatas et al. 2003). Households with high involvement in village government organizations had greater capacity to access information, participate in decision-making, and obtain responsive services. These gains were offset by their aggregate effect on less engaged households, which was negative, resulting in reduced capacity to obtain information, exercise voice and influence responsiveness.

New and expanded cadre of leaders with democratic skills

The previous section's discussion of citizenship skills for communities also applies to local leaders. Through the expanded political space afforded by devolutionary democratic decentralization, local residents have opportunities to develop democratic leadership skills. In some cases, these individuals pursue local political office, and thus contribute to an expanded pool of local government leaders. In addition, there can be a trickle-up effect in cases where leaders who have gained democratic skills and experience in decentralized local government seek elected office at higher levels of government. This outcome of democratic decentralization has increased the contestability of political markets. Leaders of local governments build experience in managing public affairs and in running a campaign. Hence they acquire skills and credibility that can assist when running for higher office. Mayors of small towns can run for provincial governor, and

more importantly mayors of large cities and provinces can run for president. This expansion of the cadre of political leadership can have a significant impact on the contestability of political markets, and hence deepen democracy.

Decentralization also allows opposition leaders to remain in government at the local level. This feature can contribute to political stability in post-conflict societies where the multiplication of arenas of political power avoids the zero-sum, winner-take-all dynamics that can destabilize a new government if control of the center is the sole arena for political contestation. Bland (2007) explores this dynamic in El Salvador, Colombia, and Guatemala, for example. Democratic decentralization can also provide a check on centralized, single-party dominance (and possibly increased authoritarianism) if opposition leaders are able to maintain a power base from where they can challenge the central government. In Latin America, where large capital cities contain a significant percentage of the population in most countries, the emergence of democratic local government in these cities has transformed the national political landscape by allowing increasingly credible challenges to incumbent leaders and their parties (Campbell 2003). Grindle (2007) notes that, in Mexico, democratic alternation started at the local level, then graduated to the state level, and finally took place at the national level.

How does community empowerment, when combined with democratic local government, help to build democratic leadership skills and increase the contestability of political markets? Community empowerment mechanisms such as participatory budgeting, open hearings, joint planning, and local councils all provide community leaders and elected officials with opportunities to build their skills and experience in public speaking and debate, managing public meetings, dealing with constituents' demands, mobilizing coalitions, and compromising to achieve results. These are all vital skills for election to both local and national positions. In addition the visibility of these participatory processes helps leaders in their runs for local or national office. Other community empowerment mechanisms, such as citizen report cards, can give nationwide attention to well-run local governments and their leaders and help them jump into national politics. These mechanisms also accustom public officials to accountability and transparency in their dealings with citizens.

Community empowerment, through watchdog NGOs, grassroots movements, and advocacy campaigns, serves to create citizen leaders who have the skills and motivation to confront public officials, demand accountability, and mount pressure to make elected and/or appointed officials respond. Several of the most striking examples of this outcome are from India. The advocacy NGOs involved in uncovering corruption in public works and in public distribution of basic foodstuffs and commodities built the leadership capacities of their staff through their programmatic activities. For example, the Action Committee for Rationing in Mumbai, through its investigation of the Public Distribution System, established vigilance committees and trained illiterate women to monitor distribution at ration shops, collected the data from the women, prepared reports, and organized their own hearings to disseminate results and pressure politicians for accountability (Goetz and Jenkins 2001). DISHA, the Gujarat-based NGO mentioned above, is another example. In this case the staff of DISHA built on their successful skills

and experience with budget analysis to launch a political movement to support the rights of tribal groups that has spread beyond Gujarat to other parts of the country (see www.disha-india.org).

Better matching of public services to citizen needs and preferences

A classic argument for decentralization is that decentralization leads to better allocative efficiency by the matching of public services to the demands for these services. Local governments are conjectured to gain more access to information about the preferences of local citizens, greater political incentives to provide preferred services, and greater flexibility and imagination to do so than a central government (see Azfar 2006). Though the center may have some knowledge about differences in demands, in a democracy national governments are required to treat all their citizens relatively equally; and they cannot provide different sets of services to different localities without appealing to some sort of general principle. Local governments, on the other hand, are free to decide what to provide to their citizens often within quite wide parameters. Hence, according to the argument, government as a whole is more flexible if decisions are decentralized.

In practice in developing countries, this outcome cannot automatically be presumed. Azfar et al. (2001) found that public officials at the intermediate level (districts in Uganda and provinces in the Philippines) showed no evidence of having better knowledge of the preferences of local inhabitants, and local officials at lower levels of government (subcounties in Uganda and municipalities in the Philippines) have only weak knowledge of preferences. As Manor (2006) states, there appears to be a lot of distance between local officials and citizens, and only imperfect knowledge transmission.

How does community empowerment help local governments improve allocative efficiency? Experience with participatory budgeting, such as in Porto Alegre, suggests that it may improve the match between what people want and what is provided. There are few rigorous evaluations of the impact of participatory budgeting or any other form of community empowerment on preference matching, although Pozzoni and Kumar (2005) note that the Porto Alegre case itself is an exception, having been extensively studied. The Jamaica study cited above is another example. Rao and Ibanez (2004), in a matched community econometric analysis, find that the participatory processes introduced in Jamaica led to elite domination of decisions on the allocation of social fund investments, but also that the decisions taken by the elite were *ex post* popular. They call this phenomenon "benevolent capture:" elites decide what is best, and after the fact (perhaps because things turn out well) the decision is popular. The study highlights the importance of preference formation as well as elicitation. These outcomes may reflect much of what happens in a participatory process. Before the process begins, citizens may be scarcely aware of what budgets are, what can be achieved by various sums in various sectors, how important these achievements would be in terms of outcomes that ultimately mattered, and what everybody else wants. Thus in some fundamental presumptive sense a participatory process is valuable – not only would public officials not know what people want in its absence, but people themselves may not know what they want.

Further, the existence of the right and the opportunity to participate, even when not acted upon, may incline citizens to be relatively more satisfied with the results.

Manor (2006) describes how the introduction of a demand-driven education program led public officials to realize that villages lacked schools. The chief minister and his aides – all well qualified and smart officials – started a program whereby local councils could ask for a school if they did not have one, expecting the scheme to be small but useful. They found there was a massive demand for the program as half the villages did not have schools. Absent the demand-led program, the officials would not have known that half the village lacked schools.

Experience from the Kecamatan Development Program in Indonesia suggests that participation may have helped align supply with demand, though the data are impressionistic (Guggenheim et al. 2004). In the Indian state of Kerala, for instance, local governments instituted a participatory planning process that engaged service delivery departments with "panchayats" and their task forces in priority setting and project design. Examining the results, Heller (2001: 143) states that, "the effect of autonomous local decision making is most evident in the shift in allocative priorities. There have thus been notable increases over the past in allocations for housing schemes, sanitation, and drinking water," though he does not offer corroborative statistical evidence.

The community empowerment mechanisms in the local organizational capacity category are well-recognized means to match service delivery to local needs and preferences. Parents associations, health committees, and community-based natural resources contracts bring communities into partnership with public providers precisely for the purpose of assuring that services meet user needs. The literature on state-society synergies for co-production of services highlights this outcome, as well as the benefits for efficiency and effectiveness (see, for example, Evans 1996). The empowerment aspect of these co-production partnerships emerges most strongly when the information provision on needs and preferences that feeds into matching is joined with oversight and accountability. For example, a regional development program in Pakistan's Northwest Frontier Province that linked village organizations with local government and sectoral departments established village-level conferences as an information exchange and coordination mechanism to engage local citizens with the government. Over time, however, "they evolved into a mechanism for village activists to hold line departments accountable for promises made and quality and timely implementation" (J. Brinkerhoff 2002: 103).

Citizen report cards are another mechanism that can serve to generate information on what kinds of services communities want, and what quality levels they expect. These and the other empowerment mechanisms discussed here can often lead to valuable information flows to public officials about, and cognitive realization of, demands. Information alone, however, does not assure that local officials will use that information to provide more tailored and/or higher quality services. Accountability and enforcement are needed.

Improved technical efficiency

Another outcome posited for decentralization is improved service delivery resulting from inter-jurisdictional competition and the race to the top (Tiebout 1956). Inter-jurisdictional competition may work by one of two mechanisms or their combination. First, governments may vie with each other for a tax base and compete to attract labor and capital to their jurisdiction. Second, governments may compete with their neighbors through yardstick competition by providing better services to get reelected – presuming that voters are more likely to reward governments that do better than their neighbors. Combinations of these two mechanisms may also work. For instance, government that can attract tax bases to their locality may then be able to provide better services than their neighbors, which in turn may get them reelected.

It is not clear in developing countries whether citizens are sufficiently mobile to achieve these gains, nor how strongly the possibility of mobility might motivate local governments to provide better services. Azfar et al. (2001) find that in Uganda and the Philippines mobility is very rarely driven by concerns about service delivery. Conflict situations, however, demonstrate that concerns about basic security can indeed induce citizens to move from less secure to more secure localities, but in such cases local governments usually have limited ability to enhance security. Shatkin's (2000) study of Metro Manila in the Philippines suggests that municipal governments are likely to be more interested in responding to private sector interests than worried about citizens moving away because their needs were not met. Thus in developing countries, and arguably in some developed ones as well, the race to the top argument may apply more to competing to attract private investment than to providing services for citizens.

There are some examples, however, of competition among muncipalities that creates incentives for efficiency and improvement. A possible incentive is the provision of prizes to localities that do well. In Bulgaria, the Foundation for Local Government Reform, a local NGO, promotes innovative practices with its Innovative Municipality Annual Award, which recognizes path-breaking local governments' efforts to provide services and improve performance (Goldsmith and Brinkerhoff 2004).

How would community empowerment sharpen the incentives provided by inter-jurisdictional competition? Citizen report cards, or service satisfaction surveys, which measure and compare performance, can strengthen incentives by publicizing information on the relative performance of local governments. Especially if such information were disseminated prior to nationwide – or statewide – local elections, it could influence political incentives to provide better services, or at least to promise them (Khemani 2006). The media are likely to publicize such information because of a general human interest in competitions – witness the vast amount of attention given to Transparency International's Corruption Perceptions Index by the media every year.

There are a number of technical barriers to using service satisfaction surveys on a broad scale. First, information must be collected on a wide range of outcome variables

otherwise local governments may give inordinate amounts of attention to the variables being measured – a problem known as the multi-tasking problem in the incentives literature (e.g., Holmstrom and Milgrom 1991). Second, the outcome variables would have to be designed in such a way that they are difficult to manipulate. Third, if surveys were to be used to collect this information, a vast number of households would have to be surveyed, using sophisticated sampling techniques to ensure representativeness in each jurisdiction. Several hundred respondents would be needed in each locality. Thus collecting data in the dozens of Romanian 'judets," Pakistani districts, or Bolivian municipalities, would require interviewing tens of thousands of households, and processing large amounts of information.

PETSs and related analytic methodologies have demonstrated that such analyses can be undertaken and can yield useful results. However, these have been undertaken with support from the World Bank and as part of loan project preparation. This situation creates capacity and incentives to undertake the analyses that are unlikely to exist absent the Bank's resources. To institutionalize such analytic exercises in developing countries on the scale that would enable them to serve as a credible basis for competitive comparisons across local governments would stretch the capacities and budgets of local governments, ministries, and/or most survey firms even if the political will to conduct them were present.

In sum, community empowerment mechanisms that focus on the systematic collection of information on the performance of local governments may sharpen the incentives to provide better services in the specific jurisdictions where those surveys have taken place, as PAC's report cards in Bangalore have shown (Paul and Sekhar 2000). The resource and technical challenges to expanding their application to where they would fulfill the Tieboutian function of spurring local government competition are immense and unlikely to be met. Local citizens tend to be more interested in the availability (or lack) of specific services than in more diffuse and abstract notions of government performance (e.g., Grindle 2007). Community empowerment mechanisms that connect performance information directly to accountability for service delivery are more likely to contribute to technical efficiency than information provision and reporting alone. As Goetz and Jenkins (2001) argue, the assumption that public officials lack information on what citizens want and what services are provided may not always be warranted; often what is lacking are incentives for them to respond and be accountable.

Increased innovation

Decentralization is expected to improve service delivery through the opportunities it provides for greater innovation at the local level, and through the demonstration effect, whereby other jurisdictions imitate the innovations and spread better practices to other localities. The concept of experimental federalism states that decentralization encourages a few brave municipalities to adopt reforms and then successful reforms are adopted by other localities (Oates 1999). The Welfare Reform Act in the United States, which was tried in some states before being widely adopted, is one example of experimental federalism. As noted above, participatory budgeting is an innovation that originated in

Porto Alegre and has subsequently been widely adopted by other municipalities (see Brautigam 2004).

Another example of innovation diffusion among municipalities comes from Bulgaria. There, one-stop shops (city licensing and service centers) have spread throughout the country. After witnessing these one-stop shops in the United States and Poland, five Bulgarian municipal mayors decided to replicate the idea at home. These early adopters formed a team that introduced one-stop shops to other municipalities, with support from the Foundation for Local Government Reform (FLGR). The concept spread very quickly, and currently more than 70 Bulgarian municipalities have set up one-stop shops in their town halls, with a combination of USAID grants (provided through the FLGR) and their own funds (Goldsmith and Brinkerhoff 2004).

How does community empowerment help the process of innovation? In terms of helping bring fresh ideas into national government, empowerment mechanisms can make fresh ideas more likely, and also subject to critical public debate so they are more likely to be accepted at the central level and in other local jurisdictions. The story of participatory budgeting itself helps to tell this story. Participatory budgeting was introduced in Porto Alegre by the workers' party, and its success combined with the election victory of the party helped in disseminating participatory budgeting across Brazil and eventually to other countries as well. Many authors note that there is greater innovation at the local government level, especially when combined with empowered community participation (see Grindle 2007, Campbell and Fuhr 2004, Nelson 2006, Manor 2006).

Adoption of innovation requires dissemination, and information campaigns organized by NGOs can help spread new ideas. To return to the Bulgaria example cited above, the FLGR organizes policy forums, training courses, and seminars, covering such topics as customer-friendly service delivery, citizens' participation, municipal property management and business activities of municipalities. Through its regular "innovative practices bulletins," the FLGR makes available case studies of resourceful new ideas from municipalities (Goldsmith and Brinkerhoff 2004).

Community participation may also make innovation more difficult. The processes may disproportionately empower groups that want to block reform, who are usually better organized than proponents. Turnout by the general public at a participatory meeting can be very low and a sizeable showing by organized opposition groups can dominate the discussion and block reform. Local officials may need to take proactive steps to assure attendance of the poor and marginalized at meetings. Procedures such as targeting excluded groups for invitation to meetings, and feeding or paying participants may encourage attendance and mitigate capture. In the decentralization reform in Peru, for example, one of the obstacles to improved local government-civil society relations identified by McNulty (2006) was the lack of travel support for community organization representatives to attend meetings.

VI. Considerations for Achieving Democratic Local Governance

Throughout the discussion we have noted that almost all analyses have signaled the political dimension of community empowerment. Politics clearly influences the potential for creating the anticipated synergies between community empowerment and democratic decentralization. Other important influencing factors include the institutional dimension and, specifically, the balance between LG capacity to supply democratic governance and community capacity for demand. The political and institutional dimensions strongly mediate the prospects for elite capture. Further, interpretation of whether such capture constitutes a failure of community empowerment depends upon the time horizon one is considering. This section explores these issues and their implications for community empowerment's contribution to democratic local governance. It also more directly addresses critics of community empowerment approaches to democratic local governance. These arguments rest largely on analyses of the experience of donor-supported empowerment efforts, such as community-driven development.

As noted, a recurring theme in both the decentralization and community empowerment literatures is the potential for elite capture of local governments, empowerment mechanisms, and the benefits they produce for citizens (e.g., Reinikka and Svensson 2004). Assessment of community empowerment in this regard needs to be placed in the broader context of the politics of democracies in general. Around the world, mature democracies, following the rules of universal suffrage, secret ballots and multiparty elections, tend to produce outcomes that are very roughly representative of their citizens' preferences. We say very roughly because representative democracy can result in outcomes that may favor elites, the better organized, or simply those more likely to vote. Olson (1982), for example, describes how democracies become more prone to cooptation by organized interests with the passage of time. The issue of which groups in a society have the power to influence public officials to respond to their particular concerns and desires, endemic to any governance system, plays out in democracies through the chains of vertical accountability that connect citizens to elected officials and to executive agencies.

Our review has identified a variety of analyses that highlight problems of elite capture of community empowerment mechanisms; for example, local committees where the better-off members dominate decision-making, or local elections where strongmen use patronage to buy the votes of the poor. Even mechanisms widely acknowledged as successfully empowering previously excluded groups, such as participatory budgeting, are imperfect in preventing already mobilized and advantaged communities from engaging and benefiting more than those not so positively endowed. Pozzoni and Kumar (2005) review a number of experiences which show that participatory budgeting, and more generally forms of community-driven development, are prone to such capture (see also Nylen 2002, Rao and Mansuri 2003, Brautigam 2004, Nelson 2006).

As the above discussion reveals, effective decentralization and community empowerment require attention to both the supply and demand sides of democratic governance. Regarding supply, appropriate public institutions and rules, and their attendant incentives, are needed to link citizens with the state, connect sub-national governments to higher

levels, and govern public officials' behaviors (e.g., Azfar et al. 1999, Crook and Manor 1998, Silverman 2004). Regarding demand, capacity-building is needed for community groups to exploit the access that empowerment mechanisms create and inject their views and needs into the policy-making and service delivery process. A clear lesson from decentralization experience is that disadvantaged or marginalized groups will not have greater access or command increased responsiveness solely as a function of decentralization's ability to bring them closer to government absent measures to counter cooptation by local elites and to make community empowerment politically advantageous for elected officials (Fung and Wright 2003a). Silverman (2004), for example, discusses the need for incentives in terms of institutional structures that can create what he calls, "mutual dependencies between the poor and the state" that will support poverty reduction.

On occasion, lack of community capacity is assumed to be the culprit when expected results of participatory empowered governance do not emerge. However, Evans (1996: 1125) nuances this view in his comparison of cases of the positive role of government/community interaction in service delivery with other less successful ones, and argues that, "if synergy fails to occur, it is probably not because the relevant neighborhoods and communities were too fissiparous and mistrusting but because some other crucial ingredient was lacking. The most obvious candidate for the missing ingredient is a competent, engaging set of public institutions." Heller (2001: 148) identifies the interplay between supply and demand in his analysis of Kerala, South Africa, and Porto Alegre, noting that the capacities of citizens to engage the state,

> …are constructed both from below—through particular patterns and trajectories of mobilization—and from above, in the artifactuality of group formation, that is, the ways in which states create and structure channels, opportunities, and incentives (or disincentives) for collective action. Citizen capacities are as such highly malleable and forged in and through state-society engagements.

Heller's characterization of the dynamic and emergent nature of empowerment capacity indicates the need to look beyond one-time assessments of experience with community empowerment. If elites capture the mechanisms and the benefits of community empowerment at a particular point in time, it does not necessarily mean that it will happen all the time. The basic dynamic here is that citizens' empowerment experience can generate positive spillover effects. Successful experience, and even failure as Hirschman (1984) has documented, can provide the basis for the application of empowered democratic governance, including the social capital it can generate, from one time to another, and from one area to others. Empowering a community is a long-term process that takes place over years, building on the collective experience and skills of gradually expanding groups of citizens. For example, Ostrom (1996: 1083) reports that,

> The experience of success in coproduction also encourages citizens to develop other horizontal relationships and social capital. Those working with condominial systems [of an urban sewerage system] report that local

> activism through coproduction rapidly spills over to other areas. Alert citizens are able to increase the quality of services they obtain from multiple government agencies and not just the initial project.

Another spillover is that once the forces of community empowerment are set in motion through particular activities, the broadened demand for transparency and accountability makes it more difficult for public officials to revert to former behaviors. The Indian right-to-information movement is a good example, illustrating the tenacity and persistence of local groups in carving out empowered space and forcing a response from power-holders (Jenkins and Goetz 1999, Goetz and Jenkins 2001, Ackerman 2004). Further, community empowerment experience also increases the opportunities for citizens to develop new expectations of government, which can include expectations of respect for rights and equity, and inclusion of the interests of the poor relative to elites.

In situations where local governments have been captured by elites, and local public institutions and structures exclude poor and marginalized communities, empowerment mechanisms—largely supported by international donors—have been employed to establish alternative paths for citizen engagement to achieve service delivery responsiveness and poverty reduction. Binswanger and Aiyar (2003), for example, present a sample of community-driven development projects that used decentralized participatory planning, citizen committees, service satisfaction surveys, and social funds to empower communities for pro-poor service delivery. Some observers express concern that these approaches to community empowerment may weaken democratic local governance (e.g., Manor 2004a and 2004b, Czajkowska et al. 2005).

Several arguments are advanced. First, social funds and decentralized sector service delivery programs inject resources at the local level that bypass local governments, thereby intruding upon what are—or should be—classic LG functions (such as infrastructure provision), and weakening local authorities' effectiveness and legitimacy in the eyes of citizens. Second, the participatory planning processes and citizen committees that are put in place to implement community-driven development privilege a set of unelected community members, which may result in services that are not representative of majority preferences and/or which may usurp the role of local elected officials. Third, empowerment mechanisms that encourage citizens to engage in joint planning and municipal decision-making may limit their participation to lobbying and one-shot efforts to influence decision-makers, which may come at the expense of fostering democratic accountability, where citizens understand and demand their rights to good governance. Fourth, by virtue of their reliance on donor support, such empowerment approaches are inherently unsustainable unless their structures and procedures are incorporated into LGs as standard operating procedures; and because of the tendency to bypass LGs this institutionalization is unlikely to take place.

Our review suggests that some of these critiques may be justified, but the empowerment strategies pursued are undertaken precisely to address the elite capture plus the demand and supply deficits discussed previously. In some cases, the problems identified with empowerment strategies and mechanisms are artifacts of deficiencies in the design and

implementation of decentralization and local democracy. For example, social funds can end up substituting for the lack of LG resources to fund service provision that decentralization policies mandate. Many local governments have extremely limited revenue-raising capacity and are highly dependent on transfers from higher levels of government. Efforts to transfer service-delivery responsibility to local governments can create equity problems and reduce access by the poor. In the health sector, for example, systems of community-based health-financing organizations can help to fill these gaps while also contributing to community empowerment (e.g., Franco et al. 2004). Citizen committees and participatory planning may compensate for failures of representativeness in local elected bodies. Blair (2000), for instance, discusses how Indian women, elected to "panchayats" following passage of a law authorizing set-asides for women and minorities, voted according to their husbands' and tribal elders' wishes, and thus did not fulfill the democratic intent of their reserved council seats.

The concern that empowerment mechanisms may orient communities to focus on extracting resources from local government rather than on demanding broader accountability from public officials strikes us as something that has more to do with the stage of a country's economic development than with "defective" empowerment mechanisms. As Brinkerhoff and Goldsmith (2005) point out, the kinds of machine politics and patronage that democracy promoters worry about characterized governance in the United States for an extended period of history. The shift to citizen concern for accountability and good governance occurred with the emergence of a strong middle class. The Indian right-to-information examples previously cited offer encouragement that such transitions are possible in developing countries.

The sustainability question, raised by critics of community empowerment strategies, is an enduring one for any effort to introduce reform, whether to deepen democracy or improve service access and delivery. Donor resources and programs can help with empowerment, but cannot substitute for home-grown collective action that translates into political clout. Efforts to "move the state," as Heller (2001) calls it, depend upon a mix of motivation and political muscle, along with supportive institutions, that engage citizens and public officials in a long-term renegotiation of state-society relations. From the standpoint of a donor's particular project, the sustainability issue looms large, but seen against the back-drop of this extended timeframe, what matters is not necessarily that one individual community empowerment mechanism, such as a school or health committee, outlasts its external funding, but more whether the community's and the local government's experience gained through participation in that committee contributes at some later time to reinforcing the building blocks of democratic local governance.

VII. Conclusions

As this review of community empowerment in the context of decentralization reveals, the multiple meanings of empowerment and the relative lack of systematic studies across a range of cases limit our ability to make precise conclusive statements regarding the relationship between community empowerment, decentralization, and outcomes relating to democratic deepening and service delivery effectiveness. The literatures on these

topics are vast, and our review has been necessarily selective. Nonetheless, we are able to draw some conclusions, all of which could be the focus of further research.

1. This review reveals the key role of central government in supporting decentralization and local community empowerment. First, there is the well recognized lesson from numerous analyses of decentralization that centrally devolved responsibilities must be accompanied by sufficient authority and resources to carry them out. Second, central authorities can provide incentives and sanctions that will encourage lower levels of government to be responsive and accountable to local needs and preferences, particularly when those needs and preferences serve to accomplish national socio-economic goals, such as poverty reduction and pro-poor service delivery. Third, central authorities can potentially sidestep local special interests in support of marginalized and disadvantaged communities (e.g., Das Gupta et al. 2004), and can be a counterbalance for the poor and minorities to local elite domination of local government (see Bardhan 2002).

2. While it is clear that the potential for community empowerment to contribute to democratization and service delivery effectiveness at the local level depends upon the extent to which a country's governance structure tends toward the devolutionary end of the decentralization continuum, the existence of a legal and institutional framework, in and of itself, is insufficient. As many studies of decentralization conclude, in a substantial number of countries, existing decentralization laws, institutions, and procedures are incompletely and often weakly implemented, creating an institutional "limbo" where decentralized local government suffers from incoherence, hazy accountability, and poor performance (e.g., McNulty 2006, Crook 2003). The gap between what exists "on paper" and in practice can be wide, with deleterious effects on community empowerment. As Manor (2004b) points out, donor efforts to circumvent weak local governments by empowering project-based user committees can exacerbate this institutional "limbo," thus impeding prospects for full implementation of decentralization and for more formalized community empowerment.

3. In light of this gap, both the implementation and the effectiveness of the community empowerment mechanisms presented in the upper row of Table 2, those that are state-centered, may be limited. They may exist, but communities may be unaware of them and/or insufficiently organized to take advantage of them. The implication is that a strong civil society, mobilizing the mechanisms in the lower, society-centered row of the table, is needed to fully exploit the other mechanisms. Among the clearest examples of this dynamic is the fierce campaign of Indian civil society organizations to gain access to public budget and expenditure data using right-to-information laws in six states, which later culminated in the passage of a national FOIA (Goetz and Jenkins 2004). In countries where civil society is weak, and where certain social groups have been marginalized over extended periods of time, their ability to engage in effective collective action is likely to be highly circumscribed and fragile.

4. An important driver of the effectiveness of community empowerment lies with community members themselves. Communities need the capacities and resources to engage in collective action, including belief in their own agency, for empowerment mechanisms to achieve their intended effects (Narayan 2002, 2005, Kakarala 2004). These capacities take time to develop, and evolve from learning from both success and failure. The role of incentives for citizens to use empowerment mechanisms to engage with the state is critical. Donor expectations regarding community interest in better governance are often out of touch with citizens' desires to get the state to provide resources and services through recourse to clientelist connections if necessary (Brinkerhoff and Goldsmith 2004, 2005, Grindle 2007). Democratic decentralization depends upon sufficient discretion of local authorities and upon space for communities to organize for interest aggregation and voice; and—as a variety of studies note—better-off and better-endowed community members will have an advantage in exploiting that space. As we conclude below, rather than ignoring the differential power and access realities, it may be best to pay the price of a bit of elite capture in order to provide opportunities and incentives for less well-resourced community members to become engaged, while seeking to assure that a supportive legal and institutional framework for democratic local governance is in place or can be built.

5. Building on the previous conclusion, besides the legal and institutional framework and the nature of central-local relationships, our review highlights the mediating impacts of social relations, especially elites of various types (social, political, economic, ethnic), on community empowerment's potential contribution to both democratic and service delivery outcomes. Both decentralization and empowerment concern at their core redistributions of power and access, which in any country are challenges to someone or other's vested interests (e.g., Nijenhuis 2003). Some donor-funded initiatives that seek to use community empowerment mechanisms—for example, school committees or natural resource management associations—are on occasion able, because of their financial clout and convening authority, to bypass or temporarily mitigate the influence of politics and elites. However, such approaches are not sustainable; often the local organizations wither away with the termination of donor funding, or they are coopted as outreach arms of public service providers, tasked with responsibilities but not given any rights (Ribot 2004). Such approaches may also inadvertently do damage to existing democratic structures, for example when donor-funded participatory efforts ignore locally elected councils, an issue raised regarding the PRSP process in many countries (McGee with Norton 2000) and social fund management (Manor 2004a, 2004b). Sustainability of community empowerment, however, needs to be considered within a longer timeframe than a single donor project, with attention to cumulative gains in capacity and learning over time.

6. Wishing politics away is not a viable strategy for enabling community empowerment or democratic decentralization. We draw from our review the

conclusion that what is required are policies, structures, and mechanisms that reduce or neutralize the advantages and dominance of powerful actors, rather than seek to avoid or eliminate elite domination or capture (see Fung and Wright 2003a, Pozzoni and Kumar 2005). This means bringing politics into community empowerment; Fung and Wright (2003b) suggest that there are two ways to do this: top-down adversarial strategies, and participatory collaboration. Support for community empowerment in the context of decentralization will arise from stakeholders who view it as good politics and a means to build political support and legitimacy. What Goetz and Jenkins (2004) call the "new accountability agenda" is a manifestation of bringing politics and community empowerment together in ways that can reinforce political incentives (see also Ackerman 2004).

References

Ackerman, John. 2004. "Co-Governance for Accountability: Beyond 'Exit' and 'Voice.'" World Development 32(3): 447-463.

Agrawal, A. 2001. "Common Property Institutions and Sustainable Governance of Resources." World Development 29(10): 1649-1672.

Alatas, Vivi, Lant Pritchett, and Anna Wetterberg. 2002. "Voice Lessons: Local Government Organizations, Social Organizations, and the Quality of Local Governance." Washington, DC: World Bank, Policy Research Working Paper No. 2981, March.

Appadurai, Arjun. 2004. "The Capacity to Aspire: Culture and the Terms of Recognition." In Vijayendra Rao and Michael Walton, eds. Culture and Public Action. Stanford, CA: Stanford University Press, 59-84.

Azfar, Omar. 2006. "Giving Citizens What They Want: Preference Matching and the Devolution of Public Services." Paper presented at the Politics of Service Delivery in Democracies: Better Access for the Poor, Expert Group on Development Issues, Lidingö, Sweden, April 27-28.

Azfar, Omar, Satu Kahkonen, Anthony Lanyi, and Patrick Meagher. 1999. "Decentralization, Governance, and Public Services: The Impact of Institutional Arrangements." College Park: University of Maryland, IRIS Center, Working Paper No. 255, September.

Azfar, Omar, Satu Kahkonen, and Patrick Meagher. 2001. "Conditions for Effective Decentralized Governance: A Synthesis of Research Findings." College Park: University of Maryland, IRIS Center, Working Paper No. 256, March.

Baiocchi, Gianpaolo. 2003. "Participation, Activism, and Politics: The Porto Alegre Experiment." In Archon Fung and Erik O. Wright, eds. Deepening Democracy:

Institutional Innovations in Empowered Participatory Governance. London: Verso, 45-77.

Bardhan, Pranab. 2002. "Decentralization of Governance and Development." Journal of Economic Perspectives 16(4): 185-205.

Bardhan, Pranab and Dilip Mookherjee. 2000. "Capture and Governance at Local and National Levels." American Economic Review 90(2): 135-139.

Binswanger, Hans P. and Swaminathan S. Aiyar. 2003. "Scaling Up Community-Driven Development: Theoretical Underpinnings and Program Design Implications." Washington, DC: World Bank, Policy Research Working Paper No. 3039, May.

Blair, Harry. 2000. "Participation and Accountability at the Periphery: Democratic Local Governance in Six Countries." World Development 28(1): 21-39.

Blair, Harry. 2003. "Jump-Starting Democracy: Adult Civic Education and Democratic Participation in Three Countries." Democratization 10(1): 53-76.

Bland, Gary. 2007. "Decentralization, Local Governance, and Conflict Mitigation in Latin America." In Derick W. Brinkerhoff, ed. Governance in Post-Conflict Societies: Rebuilding Fragile States. London: Routledge (forthcoming).

Blaxall, John. 2004. "India's Self-Employed Women's Association (SEWA)—Empowerment through Mobilization of Poor Women on a Large Scale." Washington, DC: World Bank, Case Study for Scaling Up Poverty Reduction: A Global Learning Process and Conference, Shanghai, May 25-27.

Brautigam, Deborah. 2004. "The People's Budget? Politics, Participation and Pro-poor Policy." Development Policy Review 22(6): 653-668.

Brinkerhoff, Derick W. 2004. "Local Health and Education Services in Madagascar: The Impact of Remoteness on Poverty-Focused Service Delivery." Paper presented at American Society for Public Administration, 65th National Conference Portland, OR, March 27-30.

Brinkerhoff, Derick W. 2005. "Accountability and Good Governance: Concepts and Issues." In Ahmed Shafiqul Huque and Habib Zafarullah, eds. International Development Governance. New York: CRC Press, 269-288.

Brinkerhoff, Derick W. and Arthur Goldsmith. 2004. "Good Governance, Clientelism and Patrimonialism: New Perspectives on Old Problems." International Public Management Journal 7(2): 163-185.

Brinkerhoff, Derick W. and Arthur Goldsmith. 2005. "Institutional Dualism and International Development: A Revisionist Interpretation of Good Governance." Administration and Society 37(2): 199-224.

Brinkerhoff, Derick and Charlotte Leighton. 2002. "Decentralization and Health System Reform: Issue in Brief." Washington, DC: U.S. Agency for International Development. Partners for Health Reform*plus* Project. Insights for Implementers. No. 1, September.

Brinkerhoff, Derick W. and James Mayfield. 2005. "Democratic Governance in Iraq? Progress and Peril in Reforming State-Society Relations." Public Administration and Development 25(1): 59-73.

Brinkerhoff, Jennifer M. 2002. Partnership for International Development: Rhetoric or Results? Boulder, CO: Lynne Rienner Publishers.

Budlender, Debbie. 1998. "The South African Women's Budget Initiative." Background Paper No. 2. New York: United Nations Development Program, Meeting on Women and Political Participation: 21st Century Challenges. Available at: <http://magnet.undp.org/events/gender/india/Soutaf.htm>.

Buhl, Dana. 1997. "Ripple in Still Water: Reflections by Activists on Local- and National-Level Work on Economic, Social and Cultural Rights." Washington, DC: Institute of International Education, International Human Rights Internship Program, Appendix D, Available at: <http://www.hrusa.org/hredseries/ripple/app/appendixd.html>.

Campbell, Timothy. 2003. The Quiet Revolution: Decentralization and the Rise of Political Participation in Latin American Cities. Pittsburgh, PA: University of Pittsburgh Press.

Campbell, Timothy and Harald Fuhr, eds. 2004. Leadership and Innovation in Subnational Government: Case Studies from Latin America. Washington, DC: World Bank, World Bank Institute Development Studies.

Campfens, Hubert. 1997. "International Review of Community Development: Theory and Practice." In Hubert Campfens, ed. Community Development around the World: Practice, Theory, Research, Training. Toronto, Canada: University of Toronto Press, 11-47.

Chattopadhyay, Raghabendra and Esther Duflo. 2003. "The Impact of Reservation in the Panchayati Raj: Evidence from a Nationwide Randomized Experiment." Cambridge, MA: Massachusetts Institute of Technology, Working Paper, November.

Cornwall, Andrea and John Gaventa. 2001. “Bridging the Gap: Citizenship, Participation and Accountability.” Brighton, UK: University of Sussex, PLA Notes No. 40, February.

Cornwall, Andrea, Henry Lucas, and Kath Pasteur, eds. 2000. “Accountability through Participation: Developing Workable Partnership Models in the Health Sector.” IDS Bulletin 31(1), Brighton, UK: University of Sussex.

Coventry, Cowan. 1999. “The Bolivia Poverty Reduction Strategy Paper: A Preliminary Analysis of the Possibilities for Civil Society Participation. A Report for DFID.” London: Department for International Development.

Craig, Gary and Marjorie Mayo. eds. 1995. Community Empowerment: A Reader in Participation and Development. London: Zed Books.

Crook, Richard C. 2003. “Decentralization and Poverty Reduction in Africa: The Politics of Local-Central Relations.” Public Administration and Development 23(1): 77-89.

Crook, Richard C. and James Manor. 1998. Democracy and Decentralization in South Asia and West Africa: Participation, Accountability and Performance. Cambridge, UK: Cambridge University Press.

Crook, Richard C. and Alan S. Sverrisson. 1999. “To What Extent Can Decentralized Forms of Government Enhance the Development of Pro-Poor Policies and Improve Poverty-Alleviation Outcomes?” Washington, DC: World Bank, WDR background paper, August.

Czajowska, Beata, Judith Dunbar, Mike Keshishian, Caroline Sahley, and Kelley Strickland. 2005. “Assessment of the Serbian Community Revitalization through Democratic Action Activity (CRDA).” Washington, DC: U.S. Agency for International Development, Office of Democracy and Governance, Report for USAID/Serbia and Montenegro, February.

Das Gupta, Monica, Helene Grandvoinnet, and Mattia Romani. 2004. “State-Community Synergies in Community-Driven Development.” Journal of Development Studies 40(3): 27-58.

DEMOS. 2005. Making Democracy Meaningful: Problems and Options in Indonesia. Jakarta: DEMOS (Center for Democracy and Human Rights Studies).

Devas, Nick and Ursula Grant. 2003. “Local Government Decision-making—Citizen Participation and Local Accountability: Some Evidence from Kenya and Uganda.” Public Administration and Development 23(4): 307-316.

Diamond, Larry. 1997. "Introduction: In Search of Consolidation." In Larry Diamond, Marc F. Plattner, Yun-han Chu, and Hung-mao Tien, eds. Consolidating the Third Wave Democracies: Regional Challenges. Baltimore: Johns Hopkins University Press, xiii-xlvii.

Diener, Ed and Robert Biswas-Diener. 2005. "Psychological Empowerment and Subjective Well-Being." In Deepa Narayan, ed. Measuring Empowerment: Cross-Disciplinary Perspectives. Washington, DC: World Bank, 125-141.

Dillinger, William. 1994. Decentralization and its Implications for Service Delivery. Washington, DC: World Bank and United Nations Development Programme, Urban Management Programme.

Evans, Peter. 1996. "Government Action, Social Capital and Development: Reviewing the Evidence on Synergy." World Development 24(6): 1119-1132.

Faguet, Jean-Paul. 2001. "Does Decentralization Increase Responsiveness to Local Needs? Evidence from Bolivia." Washington, DC: World Bank, Policy Research Working Paper No. 2516. Available at: <http://econ.worldbank.org/files/1332_wps2516.pdf>.

Finkel, Steven E. 2003. "Can Democracy be Taught?" Journal of Democracy 14(4): 137-151.

Franco, Lynne M., Cheikh Mbengue, and Chris Atim. 2004. "Social Participation in the Development of Mutual Health Organizations in Senegal." Bethesda, MD: Abt Associates Inc., Partners for Health Reform*plus* Project, U.S. Agency for International Development. Available at: <http://www.phrplus.org/Pubs/Tech056_fin.pdf>.

Fung, Archon and Erik O. Wright, eds. 2003a. Deepening Democracy: Institutional Innovations in Empowered Participatory Governance. London: Verso.

Fung, Archon and Erik O. Wright. 2003b. "Countervailing Power in Empowered Participatory Governance." In Archon Fung and Erik O. Wright, eds. Deepening Democracy: Institutional Innovations in Empowered Participatory Governance. London: Verso, 259-289.

Gaventa, John. 1999. "Citizen Knowledge, Citizen Competence, and Democracy Building." In Stephen L. Elkin and Karol E. Sotan, eds. Citizen Competence and Democratic Institutions. University Park, PA: Penn State Press, 49-67.

Gaventa, John. 2005. "Triumph, Deficit or Contestation? Deepening the 'Deepening Democracy' Debate." Brighton, UK: University of Sussex, Institute for Development Studies, October.

Goetz, Ann Marie and Rob Jenkins. 2001. "Hybrid Forms of Accountability: Citizen Engagement in Institutions of Public-Sector Oversight in India." Public Management Review 3(3): 363-384.

Goetz, Ann Marie and Rob Jenkins. 2004. Reinventing Accountability: Making Democracy Work for Human Development. London: Palgrave.

Goldsmith, Arthur A. and Derick W. Brinkerhoff. 2004. "Strengthening Local Government Associations in Bulgaria." Washington DC: Research Triangle Institute (RTI International), September.

Grindle, Merilee S. 2007. Going Local: Decentralization, Democratization, and the Promise of Good Governance. Princeton, NJ: Princeton University Press (forthcoming).

Guggenheim, Scott, Tatag Wiranto, Yogana Prasta, and Susan Wong. 2004. "Indonesia's Kecamatan Development Program: A Large-Scale Use of Community Development to Reduce Poverty." Washington, DC: World Bank, Case Study for Scaling Up Poverty Reduction: A Global Learning Process and Conference, Shanghai, May 25-27.

Heller, Peter. 2001. "Moving the State: The Politics of Democratic Decentralisation in Kerala, South Africa, and Porto Alegre." Politics and Society 29(1): 131-163.

Hirschman, Albert O. 1984. Getting Ahead Collectively: Grassroots Experiences in Latin America. New York: Pergamon Press.

Holmstrom, Bengt and Paul Milgrom. 1991. "Multi-task Principal Agent Analysis: Incentive Contracts, Asset Ownership and Job Design." Journal of Law, Economics and Organization 7(Special Issue): 24-52.

Jenkins, Rob, and Anne Marie Goetz. 1999. "Accounts and Accountability: Theoretical Implications of the Right-to-Information Movement in India." Third World Quarterly 20(3): 603-622.

Jimenez, Emmanuel and Yasuyuki Sawada. 1999. "Do Community-Managed Schools Work? An Evaluation of El Salvador's EDUCO Program." World Bank Economic Review 13(3): 415-441.

Johnson, Hazel and Gordon Wilson. 2000. "Biting the Bullet: Civil Society, Social Learning, and the Transformation of Local Governance." World Development 28(11): 1891-1906.

Johnson, Ronald. 1995. "Decentralization Strategy Design: Complementary Perspectives on a Common Theme." Washington, DC: US Agency for International Development, Implementing Policy Change Project, August.

Kakarala, Sitharamam. 2004. “The Challenge of Democratic Empowerment: A Special Report on Civil Society Building.” Bangalore and The Hague: Humanist Institute for Cooperation with Developing Countries (HIVOS), India Regional Office.

Khemani, Stuti. 2006. “Can Information Campaigns Overcome Political Obstacles to Serving the Poor?” Paper presented at the Politics of Service Delivery in Democracies: Better Access for the Poor, Expert Group on Development Issues, Lidingö, Sweden, April 27-28.

Manor, James. 1999. The Political Economy of Democratic Decentralization. Washington, DC: World Bank.

Manor, James. 2004a. “Democratization with Inclusion: Political Reforms and People's Empowerment at the Grassroots.” Journal of Human Development 5(1): 5-29.

Manor, James. 2004b. “User Committees: A Potentially Damaging Second Wave of Decentralisation?” European Journal of Development Research 16(1): 192-213.

Manor, James. 2006. “Extending Services over the Last Mile: Bridging the Gap between Intermediate and Local.” Paper presented at the Politics of Service Delivery in Democracies: Better Access for the Poor, Expert Group on Development Issues, Lidingö, Sweden, April 27-28.

Mansuri, Ghazala and Vijayendra Rao. 2004. “Community-Based and -Driven Development: A Critical Review.” World Bank Research Observer 19(1): 1-39.

McGee, Rosemary, with Andy Norton. 2000. “Participation in Poverty Reduction Strategies: A Synthesis of Experience with Participatory Approaches to Policy Design, Implementation and Monitoring.” Brighton, UK: University of Sussex, Institute of Development Studies, IDS Working Paper No. 109. Available at <http://www.ids.ac.uk/ids/publicat/wp/Wp109.pdf>.

McNulty, Stephanie L. 2006. “Empowering Civil Society: Decentralizing the State and Increasing Local Participation in Peru.” Washington, DC: George Washington University, Department of Political Science, unpublished Ph.D. dissertation.

Midgal, Joel S. 1988. Strong Societies and Weak States: State-Society Relations and State Capabilities in the Third World. Princeton, NJ: Princeton University Press.

Narayan, Deepa, ed. 2002. Empowerment and Poverty Reduction: A Sourcebook. Washington, DC: World Bank.

Narayan, Deepa, ed. 2005. Measuring Empowerment: Cross-Disciplinary Perspectives. Washington, DC: World Bank.

Nelson, Joan. 2006. “Unpacking the Concept of Social Sector Reform.” Paper presented at the Politics of Service Delivery in Democracies: Better Access for the Poor, Expert Group on Development Issues, Lidingö, Sweden, April 27-28.

Nijenhuis, Karin. 2003. “Does Decentralization Serve Everyone? The Struggle for Power in a Malian Village.” European Journal of Development Research 15(2): 67-92.

NPPHCN (National Progressive Primary Health Care Network). 1998. Community involvement in hospitals: Key findings and recommendations. Cape Town, South Africa: NPHCN. Available at: <http://www.hst.org.za/pphc/commun/>.

Nylen, William. 2002. “Testing the Empowerment Thesis: The Participatory Budget in Belo Horizonte and Betim, Brazil.” Comparative Politics 34(2): 127-140.

Oates, Wallace. 1999. “An Essay on Fiscal Federalism.” Journal of Economic Literature 38(3): 1120-1149.

Olken, Benjamin A. 2005. “Monitoring Corruption: Evidence from a Field Experiment in Indonesia.” Cambridge, MA: National Bureau of Economic Research, Working Paper 11753. Available at: <http://www.nber.org/papers/w11753>.

Olowu, Dele. 2003. “Local Institutional and Political Structures and Processes: Recent Experience in Africa.” Public Administration and Development 23(1): 41-53.

Olson, Mancur. 1965. The Logic of Collective Action: Public Goods and the Theory of Groups. Cambridge, MA: Harvard University Press.

Olson, Mancur. 1982. The Rise and Decline of Nations. New Haven: Yale University Press.

Ostrom, Elinor. 1990. Governing the Commons: The Evolution of Institutions for Collective Action. Cambridge, UK: Cambridge University Press.

Ostrom, Elinor. 1996. “Crossing the Great Divide: Coproduction, Synergy, and Development.” World Development 24(6): 1073-1087.

Paul, Samuel and Sita Sekhar. 2000. Benchmarking Urban Services: The Second Report Card on Bangalore. Bangalore, India: Public Affairs Centre, June.

Pozzoni, Barbara and Nalini Kumar. 2005. “A Review of the Literature on Participatory Approaches to Local Development for an Evaluation of the Effectiveness of World Bank Support for Community-Based and -Driven Development Approaches.” Washington, DC: World Bank, Operations Evaluation Department Working Paper.

Rao, Vijayendra and Ana M. Ibáñez. 2003. "The Social Impact of Social Funds in Jamaica: A Mixed-Methods Analysis of Participation, Targeting, and Collective Action in Community-Driven Development." Washington, DC: World Bank, Policy Research Working Paper No. 2970.

Reinikka, Rita and Jakob Svensson. 2004. "Local Capture: Evidence from a Central Government Transfer Program in Uganda." Quarterly Journal of Economics 119 (2): 679-705.

Ribot, Jesse C. 2004. Waiting for Democracy: The Politics of Choice in Natural Resource Decentralization. Washington, DC: World Resources Institute.

Roberts, Kenneth. M. 1998. Deepening Democracy? The Modern Left and Social Movements in Chile and Peru. Stanford, CA: Stanford University Press.

Schedler, Andreas. 1999. "Conceptualizing Accountability." In Andreas Schedler, Larry Diamond, and Marc F. Plattner, eds. The Self-Restraining State: Power and Accountability in New Democracies. Boulder, CO: Lynne Rienner Publishers, 13-29.

Schroeder, Larry. 2003. "Mechanisms for Strengthening Local Accountability." Washington, DC: World Bank, Paper prepared for the Decentralization Thematic Group, March.

Shah, Anwar and Theresa Thompson. 2004. "Implementing Decentralized Local Governance: A Treacherous Road with Potholes, Detours, and Road Closures." Washington, DC: World Bank, Policy Research Working Paper No. 3353, June.

Shatkin, Gavin. 2000. "Obstacles to Empowerment: Local Politics and Civil Society in Metropolitan Manila, The Philippines." Urban Studies 37(12): 2357-2375.

Silverman, Jerry M. 2004. "The Missing Link: Creating Mutual Dependencies Between the Poor and the State." International Public Management Journal 7(2): 227-247.

Smulovitz, Catalina and Enrique Peruzzotti. 2000. "Societal Accountability in Latin America." Journal of Democracy 11(4): 147-159.

Tang, Shui Yan. 1992. Institutions and Collective Action: Self-Governance in Irrigation. San Francisco: Institute for Contemporary Studies Press.

Tendler, Judith. 1997. Good Government in the Tropics. Baltimore, MD: Johns Hopkins University Press.

Tiebout, Charles. 1956. "A Pure Theory of Local Expenditures." Journal of Political Economy 64: 416-424.

UNDP (United Nations Development Programme). 2002. Human Development Report 2002: Deepening Democracy in a Fragmented World. New York: Oxford University Press, for the UNDP.

Uphoff, Norman. 20005. "Analytical Issues in Measuring Empowerment at the Community and Local Levels." In Deepa Narayan, ed. Measuring Empowerment: Cross-Disciplinary Perspectives. Washington, DC: World Bank, 219-247.

World Bank, 2004. World Development Report 2004: Making Services Work for the Poor. Washington, DC: World Bank.

World Bank, 2005. "Exploring Partnerships between Communities and Local Governments in Community-Driven Development: A Framework. Washington, DC: World Bank, Environmentally and Socially Sustainable Development Network, Report No. 32709-GLB, June.

Wright, Angus and Wendy Wolford. 2003. To Inherit the Earth: The Landless Movement and the Struggle for a New Brazil. Oakland, CA: Food First Books, Institute for Food and Development Policy.