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THE NATIONAL PROGRAMME OF ACTION

FOR CHILDREN AND WOMEN

IN EGYPT

Nicolas Luginbuhl*

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EXECUTIVE SUMMARY

The decentralization of the National Programme of Action for Children and Women has just been undertaken in five of Egypt's 26 governorates. Though the National Council for Childhood and Motherhood has begun designing eight regional programmes of action corresponding to the eight economic regions of Egypt, it is not yet clear how operational these regional programmes will be.

Decentralized planning is limited in Egypt by three major constraints. First, the central Government controls most expenditures and revenues. Second, centralized governance has existed for so long that the transfer of authority "down" to the local level would require conflict management and very difficult negotiations. Third, though subnational planning must by law be based on the eight economic regions of the country, these "regions" have very little real functional existence.

More authority has been delegated to the governors. Nonetheless, over 26,000 villages, with an expected total population of 25 million by the year 2000, have been almost entirely excluded from the development process. Funds should be set aside to provide infrastructure and services to poor rural communities. Inadequacies in local institutional capacity are a major impediment to the delivery of quality basic services to rural populations.

Local units are now responsible for providing basic services. However, the tight control over economic and financial matters by the central Government has eroded local efforts to seek additional resources for development. In several areas where local and central units are both responsible for service delivery, there is a lack of coordination.

Local elected councils have been upgraded through the Supreme Council for Local Government. However, local development decisions are still being pre-empted at the national level. Regional planning offices, in practice, do not appear to be assisting local units in developing investment budgets. Local units have more staff than they need, and most personnel are not qualified for the posts they occupy. More training is necessary.

The members of the governorate executive councils share many of the frustrations of the governors in establishing local priorities and in working with limited budgets and small professional staffs. Considerable lobbying is required among central ministries by governorate staffs to assure that local priorities are understood. Significant portions of the membership of the popular councils and their constituents are sceptical of their ability to make those who count aware of local priorities.

While some village councils have demonstrated a desire to play a positive role in local development programme design and implementation, this has been because these councils have been willing to take the initiative and have been "allowed" to participate. It is not a question of the lack of participation of local council members, but of such participation being discouraged or not permitted. Many argue that participation at the village level, instead of being perceived as having failed, should be seen as having never really been given a chance.

There are four major postulates of the component on children and women of the current five-year national development plan: sufficient investments need to be allocated for social services; the economy must be restructured gradually to meet the needs of human resource development; there is a regional and urban-rural dimension to mother and child development, and the social dimension must be taken into account in the design of economic development plans.

The main contribution made so far by the NPA within the state structure has been the establishment of an effective advocacy-constituency mechanism which links priorities with resources. The major achievement of the NPA has been to put children high on the political agenda. The integration of the NPA in the five-year national development plan is in itself an achievement.

I. INTRODUCTION

This paper examines decentralization policies in Egypt and the opportunities and constraints which will be faced once the decentralization of the National Programme of Action for Children and Women enters fully into the design and implementation phase. For the time being, the exercise has just been started in five governorates where UNICEF is implementing an area-based programme.

The National Council for Childhood and Motherhood has begun designing eight regional programmes of action corresponding to the eight economic regions of Egypt. It is usually recognized that these economic regions do not fully function as regional planning entities, even if they appear to do so on paper. Hence, it is not very clear yet how operational these regional programmes will be.

Decentralized planning is limited in Egypt by three constraints. The main one is the control by the central Government of expenditures and revenues. Above a certain financial ceiling, local administrations lack authority over resource allocation. This prerogative of the centre has at times been used to such an extent as to paralyse local initiative. It has resulted in the concentration at the central level of decisionmaking over budget allocations on the assumption that the local or district levels lack the necessary technical know-how.

The second constraint stems from history and culture. Highly centralized patterns of governance have existed for so long that the transfer of authority "down" to the local level would require almost a political revolution, involving conflict management and negotiations.

The third obstacle to an effective subnational planning process has to do with legal problems. Subnational planning must by law be based on the eight economic regions of the country. Unfortunately, these eight economic regions, though existing on paper, have little existence in reality. This fact does not enhance the sense of accountability and responsibility of those who are supposed to monitor programme implementation. The UN Development Programme is presently supporting a project aiming at revitalizing these eight regions.

This paper has been based mainly on the experience with projects of the US Agency for International Development in decentralization and local administration. The extensive work of USAID in this field is the most relevant in the country. Starting in 1982, the five USAID decentralization projects were consolidated into one programme, and a new agreement was signed with the Government. The goal of the programme was to assist the Government in establishing a decentralized development planning and budgeting system. The USAID local development programme has, however, at least temporarily been phased

out. The Government has recognized that the task of raising national production and standards of living is too vast and locally varied to be achieved by a centralized bureaucracy. President Mubarak has stressed many times that overly centralized management by ministries in Cairo should not be allowed to inhibit local efforts to provide services and find effective solutions to local development problems.

II. THE NATIONAL CONTEXT

Egypt's dominant physical features are the River Nile and the desert. The majority of the population and virtually all agricultural activity are found in the valley and delta of the Nile.

The population stood at just under 59 million on 1 January 1993. The overall population density is 59 per square kilometre. However, in the inhabited areas the population density is over 1,580 per square kilometre, as against 1,250 ten years ago.

Egypt has a multiparty system of government, in which the president of the Republic, Hosni Mubarak, has extensive powers. The principal political party is the National Democratic Party. The key constitutional agencies of the Government are the president, the People's Assembly (the legislative branch), the Shura Council (a consultative upper house), the judicial system and the Cabinet (executive branch). The central Government has control over the budget and governorate projects.

Internal security remains a major concern. There are regular attacks on security personnel and high-level political figures. The Government continues to take firm measures against terrorism and has made numerous arrests. The situation is especially severe in Upper Egypt. This problem has had a significant impact on tourism and therefore on the economy.

Egypt, like most developing agricultural countries, has experienced the well-known phenomenon of the exodus to the cities of rural residents in search of better standards of living. This process has been further accentuated by the emphasis in development plans on industrialization and modernization. In recognition of changing conditions, administrative subdivisions in certain areas have been shifted from rural to urban categories, while new urban districts have been created.

Patterns of life are changing in both urban and rural areas. Urban immigrants, if they are lucky, are discovering marginal employment in cities already suffering from mounting unemployment. The ageing infrastructure cannot cope, and the limited resources have created

poor standards of living and a lack of basic services.

Major economic changes occurred in 1975-80 due to the rapid expansion of the oil sector in both volume and value. Since then the share of the industrial sector has remained practically stagnant, while the service sector has been taking the lead at the expence of agriculture. Tourism (hotels and restaurants) has been expanding rapidly, gaining 2.8 points of GDP between 1980 and 1985 and an equal amount between 1985 and 1990.

Over the same period the structure of the labour force was changing, with the share of agriculture falling steadily from 58 percent in 1960 to 40.5 percent in 1990. The relative earnings in the agricultural sector improved over the first half of the period. A sharp decline in 1980 was largely due to oil prices. Oil prices took an unfavourable turn in the second half of the decade, leading to a short-lived improvement in relative agricultural earnings. As reflected in the rapid deterioration in the share of agriculture in employment, the agricultural sector, which now employs about 40 percent of the total labour force, has been incapable of maintaining its relative income position, with negative implications for rural areas.

The drop in the share of agriculture has been accompanied by rising unemployment, and other sectors have not necessarily compensated. Indeed, the most dynamic sectors of the economy—oil production and the Suez Canal—employ less than 1 percent of the labour force.

The strains on the economy, along with the impact of the Gulf crisis, had brought growth nearly to a halt by 1990. The ratio of debt to GDP had risen from 24 percent in 1970 to 89 percent in 1980 and 168 percent in 1988. The partial relief of debt in 1990 helped to reduce the burden to 107 percent.

Significant indebtedness and the beginning of a recession in 1986 made the long overdue reform of economic policies necessary. The International Monetary Fund had been urging certain measures since 1976, and over time these measures had become more severe not only because of the mounting effects of poor economic conditions, but also in view of a "hardening" in the general approach to changes in global conditions in the 1980s and early 90s. The IMF claimed that the country should apply a package of initiatives to redress the economy and eliminate external and internal imbalances.

With the application of an adjustment programme, the Government is stepping away from direct involvement in production, allowing market forces to rebuild a price structure consistent with the distortions in the production system, and shifting the burden to the consumer. This has definite disadvantages for the poor.

The incomes of an estimated 11.8 million workers were equal to or below the poverty

line minimum in 1986. Due to differences in population concentration, Lower Egypt accounted for 30.5 percent of the poor and Upper Egypt 25.5 percent, whereas Cairo's "contribution" was 19.1 percent. In 1993 the Government allocated 100 million Egyptian pounds for the urban poor.

The Government is now actively supporting a policy of community involvement. Law 70 of 1973 stipulated that annual plans should include local and regional plans in a way which assures consistency and "synchronization". Article 2 of that law, while recognizing the central character of the planning process, noted the necessity of realizing the widest participation possible on the part of local administrations (governorates), economic units and the public in the preparation and implementation of plans. Planned projects should be organized so as to foster the creation of economic regions alongside the system of local administration. A section of the third five-year plan (1992-7) is devoted to "local and regional development", indicating that the planning process had been accentuating the differences among governorates rather than diminishing them.

More authority has been delegated to the governors. Members of the National People's Assembly (parliament) have been given the right to attend meetings of local councils in their constituencies. On the other hand, the local councils are not allowed to contract a loan or become committed to a project which is not included in the budget without the approval of the national council. The Cabinet's control over local councils extends to dissolving them, if this can be justified.

There is a significant imbalance between the level of Government capital investment funds allocated to major urban areas for basic infrastructure and services and those allocated to rural areas and especially to villages. Over 26,000 villages, with an expected total population of 25 million by the year 2000, have been almost entirely excluded from the development process. Funds allocated by the Government for local projects are modest compared to the funds allocated to national and central projects and programmes.

In the last 13 years the Government has relied too heavily on major donors to provide the investment funds necessary to supply needed basic infrastructure and services in rural areas, especially for water, sanitation, roads, basic education and basic health care. However, with the rapid disengagement of some major donors (notably USAID) from rural services and infrastructure, there is a danger that the gap in the standards and quality of basic services between urban and rural areas will increase further. As a solution, the Government should boost its budget allocations significantly for the development of rural areas or provide

infrastructure and services to rural communities, including small and deprived communities, through the use of the block grants which have been put at its disposal by major donors.

Inadequacies in local institutional capacity are a major impediment for the delivery of quality basic services to all segments of the rural population. While local and subnational government organizations have certain capabilities, they also face serious constraints, which reduce their effectiveness. Government departments at the district and governorate levels are relatively well staffed; those at the village level less so. However, the motivation and the effectiveness of local government staff are adversely affected by low pay, lack of recognition, lack of sufficient authority and lack of resources, such as transport facilities. Central Government authorities often underestimate or ignore the capacity of local government organizations and staff and are reluctant to delegate authority to them.

Economic, Social-cultural and Political Trends

1. **Economic Trends**. A structural adjustment programme and the unfavourable international economic and political environment have put pressure on the Government to "prioritize" its activities and work on specific policies for the allocation of resources. The available resources definitely can not meet the costs of basic services in a sustainable way nationwide: hence, a push toward cost recovery strategies. On the other hand, there are strong pressures to increase Government control in certain areas. This is partly due to three main factors: security problems, the resistance to change of the political class and the search for more efficiency in the private sector by opening subnational markets to national companies through a bidding process, thus avoiding favouritism and clientelism.

Fluctuations are evident in the support among central authorities for decentralization. However, since the implementation of a partial decentralization policy in the 1970s, the strong central control over budget allocations and fiscal policies has not changed substantially (see later). This tight control over economic and financial matters by the central Government has eroded local efforts to seek additional resources for development.

2. **Social-cultural Trends**. Mayfield reports that:

"In the past, any type of organized activity in rural areas (urban was not yet sensed as a problem area), especially during the Nasser Regime, was perceived to be potentially subversive. Many urban officials regarded themselves as modernizers and tended to see local influential [people] as reactionaries who competed with them for power and who were bent on preserving their privileges at the expence of the national goals being articulated by the

Government. Even in recent years, when the Government was willing to tolerate private voluntary associations and reasonably independent local councils, the state's administrative organs have found ways to thwart or block their functioning. Historically, the centralized authoritarian and formalistic nature of Egyptian bureaucracy [has] demanded a subservient, almost passive, peasantry. Organized and vocal peasant groups were seen as 'trouble makers' adding unwelcome political dimensions to their work, threatening their technical and operational control of public services and requiring changes in programming procedures and in methods of service delivery. To avert such unwelcome activities and also to maintain some social distance from the poorly educated and low-status *fellaheen*, officials and technicians have consistently sought to discourage, circumvent and/or control all institutions operating in rural areas. A second source of opposition to the emergence of freely functioning institutions has been the local rural elites. However, some of the weaknesses of the local popular councils in Egypt can be attributed neither to the hostility of the Government, nor [to] the machinations of local elites, but to the disabilities among the common peasant community which prevent them from taking advantage of the opportunities open to them. These disabilities arise from the social cleavage and lack of trust—based on religious, kinship, political or other differences—that undermine their ability to cooperate. Their inexperience in working within the framework of formal organizations and their inability to impose discipline on some members or to control unscrupulous leaders often contribute to the ineffectiveness and disintegration of local councils. In many cases local villagers have not been convinced that the local council would yield them benefits sufficient to justify their participation and efforts. Even more common is their lack of trust in outsiders, including Government officials. As reforms in the local administrative system have been encouraged and as decentralized disbursement of resources [has] been forthcoming on a more regular basis, the legitimacy and relevance of such councils are beginning, however, to be accepted" (Mayfield 1989, page 11).

The social-cultural environment is not fully conducive to decentralization procedures. Structural rigidities are compounded by rigidities in informal communication patterns. Participation requires much more than superficial consensus. It also calls for open dialogue at all levels of society, as well as alliance-building and conflict management.

3.   **Political Trends**. There are three key dimensions of decentralization in Egypt.

        - *Functional decentralization*. Local units are now responsible for providing basic services. Problems exist in implementation, however. Responsibility for establishing, changing and administering local government units has been transferred to lower central Government levels. Clear policies have been determined by the Central Agency for Organization and Administration for transferring executive responsibility for service implementation to the governorates. This resulted in the 1980s in the reorganization of several ministries. Ministers, such as those of health, national education, social affairs, housing, and supply, have been designated "ministers without portfolio" and made responsible for policy, planning, research and follow-up. The executive staffs (40,000 persons) of the relevant ministries have all been transferred to the governorates. The heads of department in the governorates are answerable

to both the relevant central ministry and the governor. In several areas where local and central units are both responsible for service delivery, there is a lack of coordination.

A significant difficulty in administration is the lack of timely data. Egypt has a well-developed statistical system which generates a considerable amount of data. However, the data are not always conceptually useful and often are not available at the appropriate time. Substantial weaknesses are evident in the processing of the data related to the policies which will result in long-term structural changes. There appears to be insufficient interaction among ministries, particularly when policies are being discussed.

- *Political decentralization.* The position of governors has been enhanced considerably. Governors now hold the full rank of minister, report to the president through the prime minister and deal with cabinet ministers as equals. Local elected councils have been upgraded through the Supreme Council for Local Government. Under the Local Government Law, the elected councillors have the right to require explanations regarding the implementation of their decisions by their respective executive councils.

The annual current budget and investment budget for each village unit are prepared by the executive council in line with the priorities established by the elected council. After being approved by the elected council, the consolidated budget is sent to the *markaz* and then to the governorate and eventually through the regional planning office to the Ministry of Planning. Elected councils in the markaz and governorate approve the consolidated budget.

Shortcomings have been identified in the implementation process. The Supreme Council for Local Government does not always meet, and local development decisions are still being pre-empted at the national level. Regional planning offices, in practice, do not appear to be assisting local units in developing investment budgets.

- *Resource decentralization.* This type of decentralization concerns the control over monetary and personnel resources for the implementation of decisions and the responsibility for the delivery of services. It has often been remarked that local units have more staff than they need and that most personnel are not qualified for the posts they occupy. People with the required professional skills are not entering the civil service in sufficient numbers. Civil service pay is too low to attract and keep skilled personnel. While technical training is needed, evaluators have recommended that academic training not be increased. They say that what is needed is problem-solving skills and action-oriented on-the-job training.

Between 1976 and 1983, total government expenditures grew fourfold, compared with tenfold for central Government expenditures (Fitzcharles et al. 1993). To be meaningfully

assessed, recurrent expenditures must be compared at the local and national levels. In seven governorates in 1983, local current budgets were found to be four times the size of the national current budgets for the same directorates and were growing more rapidly. The decentralization of expenditures, primarily through a reallocation of resources from the centre, also shows up in investment budgets. Between 1976 and 1983, local government investments grew 18 times (1,760 percent), while national investments grew only four times (380 percent); these trends should be examined, and the information updated. Decisions regarding the allocation of investment funds are still made jointly by each governorate and the Ministry of Planning. Expenditures are monitored by the National Investment Bank.

The revenue picture looks quite different. Local revenue growth between 1976 and 1983 was modest (three times) in comparison to central Government revenue growth (eight times). The local tax base is inadequate as presently structured. A new law has been prepared and should be available soon. Per capita governorate revenues and expenditures in the 1980s have been analysed to see if funds were being disproportionately allocated to "central" governorates and also to examine the relationship, if any, between revenue generation and local expenditures. A comparison among governorates in both 1976 and 1982 shows that current per capita expenditures were inversely related to the size of the governorate population. The lack of significant growth in local revenue during the period is particularly frustrating, since analyses indicate a positive relationship between the amount of revenue generated by a governorate and the level of the subsidies which it received from the central Government. This suggests that, if a governorate raised more revenue, it was given more money by the central Government.

The local development and services funds administered outside the national budget are the bright spot in revenue decentralization. The interest in and activity of these funds indicate the dynamism of decentralization. As the local development funds have grown, their use has been diversified, and they are now being invested in economic enterprises, loans for private businesses and shares in governorate development banks. The income generated is recycled through the funds for additional, locally directed development activities.

The Structure and Functions of the State

1.   **Historical Background**. Since 1952 the pattern of central-local relations in Egypt has gone through several radical changes. The profusion of organizational changes has resulted

in two contradictory legacies. The first is a drive toward political "bureaucratization". High-ranking local bureaucrats play a crucial role in local decisionmaking processes in favour of the central power. The second is the increasing drift toward decentralization, both structural and functional.

All studies agree that:

"tensions between the two trends are the source for continuous restructuring of local systems of power and resources. The confusion over what ought to be the role of governors and the implementation style of development continues as the driving force of tension between the two trends" (Takeji et al., n.d., page 98).

Under Nasser, the provision of public services was designated a state function and responsibility. Rural Egypt, the intended beneficiary of state public service programmes, was divided by the central authority into areas of approximately 15,000 inhabitants. Within this framework, the provision of services was "functionally" decentralized. This approach was adopted to resolve the legitimacy problems the Government was facing during its first five years in power. The impact of the Revolution was to be felt at the local level. However, functional decentralization became problematic because of the organizational heterogeneity of the state and the centralized strategies for resource mobilization. Authority in every directorate was divided among numerous "actors", with no clear definition of power or the relationship among the actors. This situation persists today.

Victory in the Suez War of 1956 solved many of the Government's legitimacy problems. It was the high tide of political bureaucratization. Services were to be planned and executed at the central level. The new Ministry of Local Affairs was to assure the control and supervision of local matters, oversee the proper cooperation of local authorities with central plans and policies and secure the supply of services to local units.

The "centralization" of the local arena required a major institutional change among the central ministries. Before 1960 local affairs had been the responsibility of two ministries: the Ministry of the Interior and the Ministry of Provincial Affairs. A governor, appointed as the highest ranking administrator in each governorate, functioned as a representative of the state and as a catalyst in the governing system. Most of the governors were drawn from a reservoir of military and police personnel.

The intent under Nasser was to synchronize the functional decentralization of services with the territorial prefectoral structure and the political "co-optation" of local residents through the bureaucracy and the Arab Socialist Union, the country's only recognized political

organization. However, these three axes did not mix well and bred contradictions and inertia into the whole system of local administration. Efforts followed to reorganize the system.

Nasser relied heavily on two organizational strategies to solve the problems encountered in modernization and development. First, political participation was rendered alternately more difficult and easier in order to accommodate private interests within the public policy framework. Second, the "bureaucratization" of society increased the political power of the ruling "new" middle class.

Sadat, once in power, became engulfed in a legitimacy crisis which lasted until his assassination in 1981. To a great extent the crisis stemmed from Nasser's experimentation in socialism and modernization. Nasser had left the country with serious inefficiencies in the public sector and a problematic promise of popular democracy. As in Nasser's time, the local arena was still considered one of the weakest institutional links of the state. The first assault of Sadat on Nasser's state was at the local level. He abolished the embattled central Ministry of Local Affairs, and in 1973 the responsibility for all public sector employees was transferred to local authorities. The governorate became a junior partner in the management of the state. Policies to institute a more liberal regime in the local arena and at the same time maintain provincial divisions in the state were undertaken. While the local system continued to be administered by the central authority, directly elected local councils in each of the governorates became an integral part of local administration for the first time since 1960.

"Henceforth, there were to be two types of local councils in every governorate: a popular elected council and an executive appointed one" (Takeji et al., n.d., page 55).

Nasser had been inclined toward a "populist-authoritarian-modernizing-urbanizing" type of state (Takeji et al., n.d.). Sadat was different: he opted for a state based on traditional and authoritarian values and commercial interests.

"Accordingly, loyalty to authority, free market dynamics and family and patrimonial relations were to sustain the individual, providing a sense of purpose, economic opportunities and coherence in the face of changing environment" (Takeji et al., n.d., page 56). In this context, emphasis on values related to political loyalty, village life and entrepreneurial behaviours became the main concern of Sadat's ideological apparatus.

"Limited structural decentralization as an organizational strategy of central-local relations implied de-bureaucratization of state integrated interest groups, increasing autonomy of high local bureaucrats and local integration of institutions, services and functions in every governorate. The local arena no longer reflected the political bureaucratization of state-society relations" (Takeji et al., n.d., page 60).

Three groups with an organic relationship to the local arena supported and benefited from the new economic and political orientation: the agrarian bourgeoisie, high-level local bureaucrats and local businessmen.

Sadat's strategy restricted comprehensive structural changes at the local level. A persistent vulnerability among local alliances was maintained and controlled by two strategic principles. First, the Government made sure high-ranking local bureaucrats acquired critical influence over the alliances. Second, the accumulation of wealth was permitted as long as it did not impinge on the state financially. This was the reason behind the state's keen interest in preserving and nourishing links among the alliances, the governing elite and institutions (Takeji et al., n.d.).

The tradition of political bureaucratization died hard. It retained influence in central-local relations for a long time for two reasons: first, the governors of 1978 who were "co-opted" from indigenous communities failed to assure stability and "social" peace, and, second, the political instability tied to the democratization process was increasing (Takeji et al., n.d.).

During the Sadat Administration, there were innovative actions indicating radical shifts toward the political "de-bureaucratization" of the local arena that approached the issue of central-local relations from the perspective of production and investment, not from the perspective of service delivery and national resource mobilization as under Nasser.

When President Mubarak succeeded President Sadat, the political crisis was profound.

"The dynamics of economic and political liberalization did not blend with the tradition of presidential decisionmaking in conjunction with state reliance on the public sector, which avoided class hostilities and secured the integration of lower classes into the state structure.... Mubarak's moderation act entailed the continuation of Sadat's scheme of local government with some modifications. The modifications were to ensure that the high-ranking local bureaucrats could exert critical influence on the alliance in favour of the state instead of their personal benefit. Hence, the alliance would be more linked with state governing institutions than with governing elites.... Under Mubarak central authorities have adopted methods for monitoring and alining high local bureaucrats, particularly governors. In 1982 the Central [Agency] for Organization and Administration, responsible for the administrative organization of the state, launched a plan for reorganizing the governorate service apparatus to improve the flow of state services to the public at large. The reorganization was [meant] to break the bureaucratic bottlenecks rampant in social services delivery.... In November 1984 the minister of local government formed a central follow-up group to ensure that local development projects mirrored the ministry's public policy.... Over time Mubarak has flushed out governors with high-ranking local bureaucrat career backgrounds. ...Local Government Law 43 of 1979 was amended by Law 145 of 1988, so that local representative bodies and the local popular councils, in which the private sector and the agrarian bourgeoisie occupied seats of influence, came under the complete control of the governor. Furthermore, the post of local government minister was once again abolished, and its responsibilities were

integrated into the prime minister's portfolio. This reshuffle eliminated the administrative frictions between the governors and the minister of local government. These frictions were the consequences of Sadat's organizational strategies through which governors were granted the rank of minister of local government and designated the role of president representative in each governorate. Governors were now answering directly to the prime minister. Thus, [the Mubarak Administration's] central authority over the alliance was secured" (Takeji et al., n.d., page 52).

In the recent past President Mubarak's strategy has assigned priority to the mobilization of local resources through institutional arrangements. However, these arrangements need to be strengthened for the decentralization process to be effective.

2.   **The Key Actors in the Decentralization Process** (see the Table). Egypt possesses the entire gamut of institutions and mechanisms needed for the short- and medium-term management of the economy. These include the five-year plan, the annual plan, the domestic budget, the foreign exchange budget, the Central Bank of Egypt and the Supreme Planning Council. There appears to be a problem, however, in coordinating the recommendations and policies of the various agencies. The new economic order requires a fundamental change in the methods for guiding and regulating the economy. Hitherto, the predominant methods were administrative controls and directives. Much of this apparatus is being dismantled under the Economic Reform and Structural Adjustment Programme (ERSAP) and is being replaced with more indirect and sophisticated measures.

The principal institutions involved in decentralization are the governors, the governorate popular councils, the Supreme Council for Local Government, the local government committee of the People's Assembly, the Ministries of Local Administration, Finance, Planning, Manpower, Development and Housing, and International Cooperation, the Central Agency for Organization and Administration, and the National Investment Bank.

The Government commitment to decentralization has been demonstrated (with some fluctuations) in all areas except local revenue generation. In the 1980s the major constraints to decentralization were policy development, local revenue generation and management skills. This is apparently still valid today. Elected members of the governorate popular councils and their colleagues on the governorate executive councils also often lacked the skills to participate in the decentralized planning and management processes established by law.

Evaluations have pointed out that, "decentralization is and will remain a loosely defined concept among Egyptian officials, and... efforts to impose too rigid a structure or too precise an objective upon what is essentially an evolving and continuously changing process will be strongly resisted" (Development Alternative 1982, page 29).

Table: ADMINISTRATION CHART

Level	Independent Institutions	Popular Institutions	Executive Branches
Centre	NGOs universities trade unions religious groups private organizations	director of the People's Assembly The People's Assembly committees	president cabinet ministries & Institute of National Planning (INP)
Regions (8)	universities	INP (regional planning offices, though existing on paper, have never been very active)	
Governorates (26)	NGOs universities trade unions religious groups private organizations	chairmen of local councils local government councils committees	governors executive councils directorates/departments
Districts	NGOs trade unions religious groups private organizations	district chairmen popular councils district popular councils committees	district chiefs district executive councils district directorates
Villages		heads of village popular councils village units-popular councils village populations	village chiefs village executive staffs executive councils

Source: Prepared by UNICEF-Cairo.

The pivotal institutions of decentralization involved in the transfer of "functional" resources from the centre to local units are the governors, the governorate popular and executive councils and the Governorate Rural Development Association.

The laws on decentralization indicate that there must be coordination in development planning and budgeting between local units of government and central ministries. In practice, this seldom functions smoothly, and considerable lobbying is required among central ministries by governorate staffs to assure that local priorities are understood. Moreover, the enhancement of the status of the governors has not necessarily led to improvements in the quality of their staffs or in their control over local revenue generation.

The members of the governorate executive councils share many of the frustrations of the governors in establishing local priorities and in working with limited budgets and small professional staffs. A large share of local decisionmaking takes place within the local elected popular councils, but significant portions of the membership and their constituents are sceptical of their ability to make those who count aware of local priorities and contribute to development in their areas.

The Ministry of Planning is the key actor in economic planning. In theory, it is involved in the preparation of governorate annual plans through its eight regional planning

offices. The disbursement of funds and the monitoring of investment expenditures are carried out by the National Investment Bank, an independent entity under the minister of planning.

Without fiscal decentralization and the mobilization of greater local financial support for the provision of services and economic development, the administrative and political framework will have little impact on development in the long run.

A USAID decentralization programme evaluation (Kerr et al. 1983) recalls that the programme erred in basing institutional development on a strategy of eliciting major central Government alterations in organization policy. There is no support in Egyptian public life actively lobbying for such reorganization and policy reform. Moreover, the decentralization required in the USAID programme challenged the interest of entrenched constituencies. Finally, in addition to confronting the inertia inherent in any administrative structure, the development of local institutions in Egypt is captive to the still vague mandate and uneven performance of local government institutions as vehicles for basic service delivery in rural and urban areas.

3.   **The Strategy for Decentralization.** During the past two decades—since Sadat's introduction of the "open door" policy—it has become clear that macroeconomic growth alone does not eliminate and may not even reduce poverty. Within the last ten years, however, the Government has paid more attention to strategies which are structured to benefit rural communities and poor urban communities, foster higher employment and productivity and improve health and welfare for the disadvantaged majority. This strategy is built in rural areas upon two sets of commitments: first, public investment in the physical and social infrastructure for roads, water supply, irrigation canals, schools and health care clinics and, second, the strengthening and improvement of three types of local institutions.

- A variety of ministerial entities providing research, extension services, credit, health care, education and social welfare services.

- New private or voluntary associations and cooperatives offering self-help assistance.

- Popular councils which are locally elected to represent and articulate the interests of those who live in the rural towns and villages of Egypt.

These three types of institutions reflect, respectively, the administrative (central Government) system, the private and market-oriented system and the political and popular representation system. The first relies on bureaucratic mechanisms and seeks to encourage compliance with Government decisions in a regulatory mode. Decisions are made by experts according to technical principles and criteria, following policy objectives set by top officials.

The second relies on market mechanisms and seeks to promote increased activity through self-help and price incentives. Decisions are left to individuals, who calculate private advantage without explicit reference to broader interests or the public good.

The third set of institutions making up this broad-based strategy are the popular councils, which are structured to be representative of local interests and seek to support these interests through bargaining, discussion, accommodation and persuasion.

The central Government system has dominated institutional life in Egypt for centuries. Egypt's administrative system has sought uniformity, stability and controlled productivity through central planning and implementation. Still, many Egyptian officials recognize the limited and uneven effectiveness of such a centrally controlled administrative system, which often does not achieve the results desired. In the past there has been too much readiness to assume that central Government solutions are the most effective in the promotion of the development of poor rural and urban areas. In recent years (radicalized by the ERSAP) there has been an inclination to see the private sector as a kind of panacea for all of Egypt's woes and to assume more beneficial effects than can realistically be expected. Particularly in Egypt, where the goal is to raise the productive capacities of the poorer households, communities and districts, complete reliance on private enterprise at least in the short run is unlikely to produce all the desired results. Though there is an important and clearly neglected role for private sector initiative in rural areas and poor urban slums, an equitable and self-sustaining form of development will clearly require an integration of all three forms of institutions.

In the resource-poor environment of Egypt, the central Government tends to lack the funds, trained personnel and administrative capacity to provide the services required. Frequently, the services which the Government has attempted to provide have proved irrelevant to the problems of rural residents and the urban poor. There is often an information gap between the Government in Cairo and the majority of its rural and poor urban constituents, and these constituents are often unable to articulate their common needs and preferences and make credible claims for effective assistance.

Mayfield (1989) has recalled that one common neglect in Egypt's local administrative system has been the lack of any careful analysis of the role which executive officials (village chiefs, district chiefs and governors) might play in improving programme and project performance. As a result of this neglect, Egypt's administrative and structural ability to design and implement management reforms appropriate to the political and cultural realities of the country has not advanced consistently with the new endowment of resources from

international donors. During the last ten years significant technical assistance has been forthcoming, sensitizing local officials to the importance of proper engineering, accounting and project design requirements. (There has also been substantial training in maintenance, contracting, monitoring, computer skills and organizational development.) This focus on planning techniques has led to the belief in Egypt that proper design work, feasibility studies and appropriate cost-benefit analyses hold the key to effective implementation.

In recent years the literature on development administration has documented the fact that such planning procedures may be necessary, but are not sufficient for programme success, and that the key processes of implementation, operations, maintenance and long-term sustainability require specific managerial and institutional interventions often overlooked in the Egyptian bureaucracy. The earlier system under Nasser and to a lesser extent the systems under Sadat and Mubarak have tended to emphasize control and security and functioned through a fairly rigid, top-down, hierarchical structure for decisionmaking, with conformity to a centralized scheme of rules and regulations.

"A new system of administration is beginning to appear which is less concerned with conformity and more concerned with results, which encourages greater autonomy and risk-taking. Such a system is less status-quo oriented and more change and development motivated. While most governors of the 1960s [and] the 70s had a police and military background, today there are several who are more sensitive to the socioeconomic problems of their people, who are motivated to work with both the public and private sectors and who see the necessity to develop teamwork among their staff and various ministerial representatives. Such administrative officials are still somewhat rare, especially given the various forces encouraging centralization" (Mayfield 1989, page 16).

III. THE NATIONAL PROGRAMME OF ACTION

The Egyptian NPA has been prepared by the National Council of Childhood and Motherhood (NCCM) with the assistance of the UNICEF Country Office. It is included as a chapter in the Third Five-Year Plan for Economic and Social Development, 1992-7. It contains a foreword by Susan Mubarak and a preface by the NCCM secretary general.

The Ministries of Health, National Education, Social Affairs, and Culture have each contributed two papers, the first on the situation in the relevant sector and the second on the respective sectoral goals.

The NPA document has several parts. The first, "The Development of Childhood as

an Essential Pivot of the Third Five-Year Plan", discusses the increased attention assigned to childhood and motherhood and their role in the overall development strategy, as well as their place in human resource development. The second, "Situation of Children and Mothers in Egypt", analyses the state of education, health, social affairs and culture. The third is entitled "Goals of the Plan for the Development of Childhood and Motherhood". There is also a section on the investments of Government entities undertaken through the third five-year plan. This section reviews overall Government investments in the health care and education sectors, with special emphasis on the areas of childhood and motherhood. The investments are broken down according to the projects of the Ministry of National Education, the Ministry of Health, the Ministry of Social Affairs, the Ministry of Culture, and the NCCM.

The current five-year development plan is the third in a four five-year plan series. There are several observations to be made with respect to long-term objectives. First, the targets selected are usually very ambitious and similar from one plan to another. For example, emphasis has always been placed on universal enrolment in primary schools, as well as on the provision of primary health care to all. This makes the monitoring of actual progress toward the accomplishment of the objectives somewhat difficult. Second, there is a lack or insufficiency of precise quantitative measures for the objectives. A plan should include general objectives, but it should also have a fixed timetable or other means for gauging the gap to be eliminated. Third, there are disparities in the assessments of the level of achievement in service delivery among various entities, such as data collection units, ministries which provide services and the Ministry of Planning.

The strategy behind the five-year plan component on childhood and motherhood is based on the "human resource development" approach, whereby people are the first and ultimate goal of development. The NPA reflects a recognition that development experiences in Egypt, as well as in other developing countries, demonstrate that the protection and development of childhood and motherhood, including the reduction of infant and maternal mortality rates, the provision of basic education for all and universal access to safe water, enhance the social significance of economic growth objectives and emphasize their real development implications.

There are four major postulates of the component for children and women.

- The recognition that social services have been neglected over the years, that sufficient investments need to be allocated for these services and that the investment in human resources is an essential component of development.

- The economy must be restructured gradually to take into account the needs of human resource development.

- There is a regional dimension to mother and child development, and the situation of rural children is much worse than that of urban children.

- The social dimension must be taken into account in the design of economic development plans.

The groundwork for the International Year of the Child in the 1970s helped create a positive atmosphere in various communities. Following a presidential declaration, the NCCM was created in 1989. The Government and NGOs realized that a legal document providing more than just mere recommendations and resolutions was needed to guarantee the specific rights of the child unambiguously.

Noteworthy is the fact that the preliminary preparations for the NPA were undertaken before the formal establishment of the NCCM. Previous to the establishment of the NCCM, the services and institutions involved in the field of child protection and development were numerous and dispersed. Some were too bureaucratic, and some focused more on their own survival, rather than on the good of children and mothers. Hence, the need emerged to create the NCCM, which does not provide direct services for children and families, but is basically concerned with drafting policy and guiding and coordinating the activities of institutions. Securing the rights of children and women requires an organization which is intersectoral and can orchestrate the knowledge and skills available through different professional fields.

The NCCM has the following tasks.

- To plan a comprehensive childhood policy. Until recently, targets related to childhood and motherhood were confined exclusively to sectoral policies and were often assigned no particular priority.

- To coordinate and integrate the work of various sectors and institutions, particularly at the planning stage.

- To raise the level of services for the benefit of children.

- To plan ways to secure child rights, including the mobilization and development of public awareness and follow-up on efforts to implement child rights.

The importance of childhood and motherhood has been increasingly recognized in recent years in Egypt. This is illustrated by a number of initiatives both at national and international levels. At the national level the NCCM was established in 1989 to coordinate the work of various ministries on issues concerning the mother and child. In 1989 President

Mubarak declared the decade 1989-99 as a decade for children. At the international level the Convention on the Rights of the Child, adopted by the UN General Assembly in 1989, and the World Summit for Children, which was held at the UN in 1990 and which agreed to the World Declaration on the Survival, Protection and Development of Children, have provided further support for the development of child welfare.

There have been some shortcomings in the NPA formulation process. The current national five-year development plan was drawn up before the establishment of the NCCM. No integration of the various sectors was discussed; therefore, services and programmes related to childhood are carried out at different levels in various sectors. The NCCM is aware of the imperfections of the NPA and is now working on refining the approach.

The NPA has been prepared with the close collaboration of the Ministry of Planning, which has drawn on information supplied by the sectoral ministries and the Central Agency for Public Mobilization and Statistics (CAPMAS). Both the National Situation Analysis and the Upper Egypt Situation Analysis—prepared jointly by CAPMAS and UNICEF—have been employed to prepare the NPA document. However, the findings have not been used to design a strategy and develop programmes of action. The goals outlined in the presidential declaration have been included. However, they are not precise enough for the determination of any specific activities meant to reach them. The goals identified at the World Summit for Children have been added to a revised version of the NPA document.

The main contribution made so far by the NPA within the state structure has been the establishment of an effective advocacy-constituency mechanism which links priorities with resources. The chairmanship of the NPA monitoring tool—the NCCM—by the prime minister under the sponsorship of the First Lady gives a special leverage to the cause of women and children in Egypt. Thus far no effective monitoring and evaluation system has been put in place, but efforts are under way to improve the information flow between sectoral ministries and the NCCM. This will immediately upgrade the level of advocacy of the NCCM and should provide a useful instrument in the medium term not only for monitoring progress toward the achievement of the NPA goals at the national level, but also to reshuffle state budgets according to priorities. The NCCM has also been identified as the most appropriate entity for the definition—in close cooperation with UNICEF—of the indicators to be monitored. The provision of data by the sectoral ministries and CAPMAS is expected to improve gradually. Once this begins to occur, a more subtle instrument will be available to enhance the mobilization of awareness among political leaders and the public.

The preparation of the NPA has not strengthened coordination among ministries and agencies in a significant way. This is also true of coordination among relevant donor activities. Coordination mechanisms are a real need in order to enhance the application of all available resources, including studies and evaluations. The lack of coordination is mainly due to the absence of strategies, plans and objectives encouraging economies of scale among the various sectors. The NCCM is fully aware of these shortcomings and has set up a steering committee of specialized consultants to work on subregional NPAs. This first step should significantly improve the approach to intersectoral collaboration.

Innovative approaches are not examined in the NPA document in detail. Had the NPA included a costing component, such an examination would certainly have been undertaken. For the time being, the NCCM will list budget requirements and will not embark on a costing exercise. In a sense this is unfortunate, for this exercise is expected to be carried out mainly by the sectoral ministries, where it would exclude, by definition, any integrated approach with other sectors. In the immediate future the emphasis should be on reinforcing the cooperation of the steering committee with the planning units of the sectoral ministries. With the active cooperation of development-oriented governors, the design of local programmes of action (LPAs) should also be an impetus for the identification of innovative funding methods and the refinement of the local integration of planning and budgeting.

Key actors are referred to in general terms in the NPA document. However, the document does not define precise responsibilities, or any details concerning involvement in programme operations. Hence, the key actors as foreseen in the NPA document remain the sectoral ministries and the NGOs mentioned in general terms.

The major achievement of the NPA has been to put children high on the political agenda. The integration of the NPA in the five-year development plan is in itself an achievement. The NPA has for the first time highlighted the situation of children and (to a lesser extent) mothers and identified shortcomings and obstacles in the protection and development of children. It has reviewed the financial resources allocated to the relevant sectors and has attempted to recognize gaps. In a sense, therefore, the NPA document is essentially a description of investment needs. Had it spelled out precise goals and strategies to meet these needs, it would have become a more useful instrument for monitoring the situation of children and women in Egypt. However, it has not done so, nor was the key water, environment and sanitation sector covered in the document, on the assumption that the development of this sector should be the responsibility of the line ministries and agencies.

As a result, the NPA as spelled out in the five-year development plan is not an operational instrument. However, the NPA is constantly being refined, and the water, environment and sanitation sector and mid-decade goals have now been integrated into it.

The implementation of the NPA is the responsibility of the sectoral ministries; no other agencies have been specifically identified. The NCCM is a planning and coordinating institution. As such, it should become the central NPA monitoring entity for women and children. The NCCM is involved with research and data collection and acts to mobilize and guide other relevant efforts and evaluate the results and costs of programmes, as well as other processes which the executive institutions perform. Thus, the NCCM is not directly responsible for the evaluation of the services provided by each institution; rather, it assures that the activities of the various sectors conform with the general goals and the comprehensive policy outlined in the NPA.

The NCCM is responsible for enhancing the commitment to the NPA of political leaders and the public, especially policymakers, planners and administrators, as well as families and children themselves. It is a watchdog agency for the protection of the interests of mothers and children. Up to now, UNICEF has played such a role. There is substantial scope for the improvement of national communication policy through the diversification of the channels of communication used to reach various groups and communities.

Any discussion of participation is rendered more complex because participation represents an objective, as well as a means of development. The creation of a meaningful system for local village participation is a very difficult undertaking. Building the local capacity to mobilize local resources, plan and design useful projects and operate and maintain such projects requires far more than a week-long workshop where local council members are exposed to a series of lectures and training experiences. Capacity-building is a long-term process which requires a complex scheme of incentives and support mechanisms. When popular councils seriously seek to build consensus, the most important result tends to be the shared knowledge among members of the needs and capabilities of their communities. This knowledge tends to buoy up the performance of the councils. The existence of such a process of needs-assessment and consensus-building may therefore be more important to the success of a popular council than the specific outputs of that process.

Needs-assessment and consensus-building require a certain amount of sophistication among the members of popular councils. However, preliminary data appear to suggest little correlation between effectiveness in these two areas and the level of literacy or per capita

income. This implies that local planning (needs-assessment) and goal setting (consensus-building) do not require many technical skills or resources. Success in operation and maintenance activities in existing projects appears to be related to the level of commitment and consensus that exists in a council. Often local councils are encouraged to plan, mobilize resources, design and implement a project with little thought to long-term sustainability.

A 1983 survey found that the basic mechanisms of popular participation were in place and that local units were being provided greater access to the centres of power. The bargaining position of localities in relation to the resources they needed was improving. The popularly elected councils were becoming responsible for setting development priorities and approving local unit budgets before the budgets were submitted to the next higher level of government. The evaluation team found that the resources to implement decisions and assume responsibilities were being dispersed among local units. Later evaluations have found that this dispersion has led to problems which persist today.

One component of the move toward decentralization has been a requirement to offer positions for women at each level of authority. However, in reality the number and proportion of local seats held by women are very limited.

IV. **THE DECENTRALIZATION OF THE NPA**

The NPA decentralization process has only very recently begun in five governorates, where situation analyses are now being prepared on which to base LPAs. An analysis of the opportunities and constraints facing decentralization is nonetheless useful.

Overall, for more than 15 years the Government has accepted the fact that the policy environment for decentralization reform in Egypt must be enhanced. However, whether this is being actively pursued is not clear.

The decentralization of the NPA is directly linked to the policy of the state in this matter. The existence of the NPA goals has given momentum to the process at both the subnational level and the central level. The existence of the goals is also encouraging the integration of policies among sectors, even though the NPA is still at a rudimentary stage.

Enhancing the capacities of local governments has been accepted for the last 20 years as an important part of the country's efforts to strengthen the local delivery network for health care, education and other social services. Social services are meant to be "mediating"

structures which are available to strengthen local accountability, local programme assessment and planning, and local resource mobilization.

However, the decentralization policy of the Government is somewhat ambiguous in this case. The Government clearly has a centralized structure. There is little or no comprehensive and sustained effort to decentralize authority or resources "down" to the local level either financially, or administratively. The current Local Government Law (Law 145 of 1988) establishes that all local units of government are part of a "central" administrative system, not a "local" government system.

An evaluation of decentralization in 1989 adds that:

"While capacity-building and institution-building may sound good, the 'reality' is that local government institutions in Egypt are not improving. There is no 'hard' evidence that local councils are today more effective than they were five years ago. Real rural development is best measured in 'brick and mortar' terms, with appropriate cost-benefit ratios and/or engineering criteria being the only sound basis upon which programme effectiveness can be judged" (Mayfield 1989, page 19).

The present situation in Egypt does not fully encourage decentralization. The current ERSAP programme, which seeks policy reforms and deficit reduction, implies a greater degree of control and coordination at the central Government level. More specifically, the Ministry of Finance has demonstrated a reluctance to decentralize part of its financial authority to the local level.

Mayfield (1989, page 36) claims that, "it is more important that we understand the advantages and disadvantages of a programme committed to strengthening local government institutions, that we understand how local resource mobilization activities can impact on central Government to curtail Government deficit over the long-term, and that we understand the consequences for project implementation as local government institutions are improved."

In his study on decentralization reform in Egypt, Mayfield (1989) identifies three forces opposing decentralization and three forces encouraging decentralization. The following are, according to Mayfield, the *three forces opposing decentralization*.

- At the highest level of the Government is a generation of civilian and military officials whose careers began in the 1960s and early 70s and whose experiences and attitudes hark back to years past, when central planning was considered the key to the development process, the public sector was the only appropriate vehicle for social justice and the effective delivery of services, and national security issues dominated most organizational and

institutional activities. These people represent a force from the past; it is still a significant force, but its power is waning as a new generation of Government officials take their place.

- Within each of the key ministries, there is usually a group of officials who question or ignore the ability or the willingness of local units of government to implement public programmes effectively. These officials firmly believe that it would be irresponsible to turn resources and programmes over to local units, when the people in these units do not possess the educational background, administrative experience, or management skills needed in public service. While many of these officials may accept decentralization as a long-term goal in principle, their personal attitude is that any meaningful decentralization can take place only years from now.

- Elements within the ruling National Democratic Party favour a more tightly controlled process of candidate selection, because they are seriously concerned about opposition groups and prefer candidates who are "safe", predictable and loyal. However, other elements believe that the party must uphold the principles established by the law on political parties adopted by the People's Assembly in 1977. These people have worked hard to integrate opposition parties into the People's Assembly and the Shura (Advisory) Council.

The following are, according to Mayfield, the *three forces encouraging decentralization.*

- A review of the many laws on local administration enacted since Law 124 (1960) demonstrates that there is a small but growing number of elected officials who are willing to argue for legislation which strengthens decentralization to local governments.

- Intellectuals, journalists and university faculty members represent an often ignored but extremely important force which supports decentralization. Many of these people are committed to a more open, democratic system and in their writings and lectures point out the advantages and benefits to be gained through decentralization.

- Potentially perhaps the strongest single group in favour of decentralization that has emerged in the past few years consists of governors who have come to rely on the sources of revenue and investment capital provided by various international donor agencies. Few people appreciate the importance to governors of the extra 5 million or 10 million Egyptian pounds furnished by donors each year for projects over which the governors have some independent control. Under the Local Development II Programme supported by USAID, for example, block grants were provided to governors and local councils, as well as markaz and village units, to be used directly by them to meet locally defined needs. While some may challenge the assumption that such projects really satisfy the actual needs of villagers, few

can ignore the fact that thousands of schools, roads, water systems and other locally determined infrastructures have been designed and implemented through village, district and provincial councils and local popular councils.

Going back only as far as the mid-1980s, one might have difficulty documenting the positive impact of such efforts at decentralization. However, if one goes back 15 or 20 years, the evidence for an increase in capacity, interest and motivation is staggering. While many writers may now complain about bureaucratic inefficiency and red tape, no one can ignore the new forces emerging in urban and rural Egypt.

The General Characteristics of NPA Decentralization

1.   **The Type of Decentralization**. Over the medium term the NCCM expects to undertake the decentralization of the NPA to the governorates. Decentralization at this level would involve tackling the problem of regional disparities in development and the consequent refinement of resource allocations. It would also expand the opportunities for raising the required resources. Enhancing cost recovery policies would be a cornerstone of the approach.

As a first step, however, the NCCM is now embarking on the preparation of annual regional programmes of action. Geographic coverage is to correspond to the eight economic regions into which the country is divided. The programmes will aim mainly at filling sectoral needs in resource allocations and will therefore essentially be investment plans.

The provision of timely and precise data, particularly at the subnational level, is necessary for improving monitoring and evaluation. Indeed, data are available on the central level before governorate data are prepared. This highlights the importance of the creation of a national monitoring system to provide comprehensive statistical and sectoral data processed by the governorates, as well as at the central level.

NPA decentralization has thus far not followed any particular methodology. The NCCM has launched situation analyses in Alexandria, Asyut and Giza that should lead to LPAs involving the collaboration of UNICEF. For strategic reasons linked to its area-based programmes, UNICEF has begun situation analyses in Alexandria, Asyut, Cairo, Qena and Suhag. The methodology adopted has followed the UNICEF planning cycle. The situation analyses will be followed by the design of programmes of action.

In Alexandria a sectoral programme of action for women is being developed through

the initiative of the governor. Very close collaboration between the governor's office and UNICEF has set the pace for the design of this special programme, which has been deemed useful because it promises not to dilute women's concerns among subsectoral programmes. The governor's office, university experts, 12 NGOs and UNICEF are all involved in the preparations. The programme has eight components: the environment, employment, education, reproductive health, political participation, social work, community participation and children in especially difficult circumstances. The committees in charge of the preparations are each led by an NGO. Community leaders are also participating in the preparations, starting with situation analyses. The preparatory process is considered as important as the final output. The working groups involved in the preparations are receiving ad hoc training, particularly in the area of gender sensitization. The groups meet regularly to identify collaborative mechanisms. Donors are invited to take part in the meetings in order to facilitate bilateral negotiations and build stronger partnerships. Likewise, regular working sessions with decisionmakers have been identified as a fundamental way of assuring long-term commitment.

The stratification of Egyptian society has been a constant obstacle in planning within a participatory framework. Planners and decisionmakers, as well as consultants hired by NGOs or development agencies, have usually relied on existing statistics, mainly those provided by CAPMAS or the sectoral ministries. It is public knowledge that the data available in Egypt are often not very reliable. Hence, "focus group" discussions with NGOs and communities and interviews with "key informants" will have to play a chief role in the planning process for the initiative in Alexandria. Understanding the value and use of reliable information is central to the exercise.

USAID is now in the process of decentralizing sectoral programmes in areas such as health care. Early in 1994 the Ministry of Health welcomed the Child Survival Project-Decentralized Management Implementation plan. This project originated in a Child Survival Project evaluation which identified the top-down approach to planning, budgeting and operating policies in the Ministry of Health as one of the major obstacles to successful child survival activities. The 1994-5 Child Survival Workplan focuses on the application of a sustainable strategy for child survival activities which are to be maintained after the project ends. The strategy involves the development of an administrative plan for fully integrating the project among the initiatives of the Ministry of Health. This will require close cooperation with the steering committees at the ministry and in the governorates. These steering

committees will enable the management, planning, supervision and monitoring of key activities to be decentralized to the districts and governorates. Clinics and the universities will be used for research and training. The 1994-5 workplan includes steps to be taken to strengthen the planning and management skills of the steering committee members and increase their capacity to assess and address local training needs. A meaningful plan is to be developed for the management of and authority over the resources which are to be decentralized to the governorates.

A mixed automated and manual decentralized health information system has been developed. The system will be used to focus on the data essential to the improvement of the management and delivery of child survival interventions. It will eventually be fully integrated into the Ministry of Health information systems and will enhance the capacity of the ministry to employ data in decisionmaking and the management of programmes; it will also enrich overall Child Survival Project management in training, the preparation of research proposals and internal planning. A field support team will be responsible for the development and realization of a sustainable, decentralized management supervision system.

The advocacy campaign organized by the NCCM and UNICEF to spread awareness of the goals has boosted dramatically the political commitment to the NPA. The preparation and publication of the *Egypt Human Development Report* (INP 1994) have likewise triggered political interest at the subnational level. Thus, in Cairo the governor has made several institutional decisions which have had an immediate impact on vulnerable groups and may improve their situation. Meanwhile, sectoral planning groups have taken the initiative of preparing area-based programmes of action.

The decentralization experience garnered from the USAID projects over the last 12 years offers useful information with which to judge the amount of decentralization accepted by the Government. LPAs have yet to be finalized; however, there are indications that decentralization will occur at both the sectoral and the administrative levels.

One of the main constraints to decentralization seems to be the rules limiting the independence of local councils in raising money. However, interesting sectoral experiments are being undertaken, including UNICEF community schools, UNICEF and USAID water, environment and sanitation programmes, and cost-recovery programmes in health care supported by USAID and the Italian Department of Development Cooperation. The integration of additional programmes will probably require a reshuffling of resources at the local level. Over the short term, this might be hindered by certain regulations.

Mayfield (1989) reports on specific recommendations related to decentralization that have been rejected. The design of the LPAs will have to take them into consideration. They include the following.

- A reform which would have provided local councils with an independent budget allocation from the central treasury.

- A reform which would have established a local government career system within each governorate.

- A reform which would have created a lump-sum grant to be used by the governorates as they see fit.

- A reform which would have provided for an integrated budget among the various service ministries (National Education, Health, Social Insurance and so on) in order to permit the governorates to determine their own priorities within these services.

"Such a system had been tested in one governorate in 1974 with all the service directors coming together to discuss common problems. The person responsible for cultural affairs indicated that he needed a budget of 7 million pounds for classrooms, cultural facilitators, movie projectors, etc. For the first time, other ministerial representatives began to discuss ways in which they might help. The director of education indicated that many school facilities were not being used in the evening and that many of his better teachers probably would be delighted to give adult education training for a small honorarium. The director of health proposed his collaboration as well. From these efforts alone, the governorate was able to save nearly 1 million [Egyptian pounds] in their 1974 budget. Unfortunately, this recommendation to integrate these service budgets at the governorate level met strong opposition at the national level, and the recommendation was defeated in the national assembly" (Mayfield 1989, page 19).

- A reform which would have established "open" membership in the council committees (health, education, agriculture and so on) to allow up to one-third of the committee members to be noncouncil members.

- One of the most controversial initiatives defeated in the People's Assembly was the effort to turn the Development Fund into mainly a Productive Enterprise (profitmaking) Fund to generate supplementary financing for the local councils. This attempt to emphasize production and profitmaking over basic service needs provoked a great deal of debate.

2.   **Autonomy in the Formulation and Implementation of LPAs**. The formulation of the regional programmes of action has been based on information supplied by the sectoral ministries on investment allocations. The process has apparently not involved the active participation of subnational actors until recently. The identification of resource needs has

been undertaken with the Ministry of Planning and has followed the annual resource forecasts in the national development plan. Implementation is the responsibility of the sectoral ministries.

However, since 1993 the NCCM has been refining goals and targets in three governorates: Alexandria, Asyut and Giza. This exercise has been carried out on a "pilot" basis and will later be expanded nationwide. It has been conducted with the very close cooperation of sectoral directorates, information centres and governors. Specific strategies and programmes of action have not yet been defined.

An important conference on the NPA mid-decade and decade goals was sponsored by the NCCM and UNICEF in June 1994. Governorate representatives made presentations. Three governorates, Cairo, Qena and Suhag, in addition to Alexandria and Asyut, where UNICEF is implementing area-based programmes, are each preparing, with the support of UNICEF, a comprehensive programme of action supported by the findings of situation analyses which are now being finalized.

While the village councils in many communities are not as effective as they might be, some of the ineffectiveness may be attributable to the shortcomings of several programmes, including the Local Development II Programme which was supported by USAID. Indeed, some argue that very little effort has been expended in these programmes to develop or even encourage meaningful participation and local involvement in the activities of rural village councils. While some councils have demonstrated a desire to play a positive role in programme design and implementation, this has been because these councils have been willing to take the initiative and have been "allowed" to participate. It is not a question of the lack of participation of local council members, but of such participation being discouraged or not permitted (Mayfield 1989, Palmer 1992).

The inability of local communities to operate and maintain the many projects being executed, especially safe drinking water projects, has been very frustrating in recent years. However, many argue that participation at the village level, instead of being perceived as having failed, should be seen as having never really been given a chance. Given the level of local development in Egypt, it would make far more sense, they say, to foster local capacity-building, so that villages can manage, for example, their own water systems, than to expect that the Government can eventually allocate sufficient resources to run such village systems. Having reviewed the Government budget deficit, Mayfield (1989) believes that the long-term costs of operations and maintenance can not possibly be covered by the central Government.

The Dimensions of NPA Decentralization

1. **Political Determination and Involvement in the LPAs**. Until recently there has been no evidence of a strong demand at the subnational level for the formulation of LPAs. However, with UNICEF support, some governorates are now embarking on the preparation of such programmes. The NCCM is well aware of the need to encourage local programme preparation and, as a first step, is now refining the regional programmes of action.

No comprehensive efforts to create local programmes have been undertaken until 1994. However, fluctuations have been obvious over the years in the political support, at both the local and central levels, for local planning based on the participatory assessment of essential needs. The recent difficult situation in security and the demands of structural adjustment programmes are both factors which will certainly have a direct effect on the limited political support for decentralization for some time.

Over the years legal changes have reflected shifts in the political will to realize decentralization. For example, in 1979 the changes of Law 43 were designed to strengthen local government leaders in their relations with the popular councils. The right of the popular councils to question and challenge local government executives was greatly curtailed. The role of the popular councils was to review and advise, rather than to make decisions. All budgetary and policy authority was delegated to the executive councils. The existence of multiple channels for policy review and accountability was rejected, again reflecting the desire of the local executive branch to reduce the possibilities for complaint or confrontation.

Mayfield writes that these reactions reflected both positive and negative factors.

"Many local councils were irresponsible, unrealistic, selfish and disruptive. Lacking a tradition of responsible legislative functioning and authority, many of these councils did abuse the powers given to them by law. Self interest, much more than community interests, generally characterized the debates, the resolutions and the questioning processes. Often they were completely unrealistic in their demands, insisting that the central Government provide all required services immediately. They seldom acknowledged that they themselves had any obligations or responsibilities. Lacking any experience in local government processes, they failed to see how, through their own initiative, local popular councils had the potential to do many things on their own, independent of central Government funding and support" (Mayfield 1989, page 36).

While some view Law 43 as regressive, perhaps it should be viewed as a reflection of the country's experiment in local government and decentralization.

Law 50 (1981) represented a minor amendment to Law 43, augmenting some of the

responsibilities of local councils in general and allowing these councils some additional authority to raise local revenues.

Law 145 (1988) reflects the Government's awareness of the many economic problems facing Egyptians: inflation, higher food prices, growing unemployment and the budget deficit. The Government has sought to reduce political confrontation through the use of party lists in all general elections. Law 145 seems to emphasize greater central control.

"After all," writes Mayfield (1989, page 37), "the law does specifically designate the present local system as a system of local administration, not a system of local government."

However, the law is more fruitfully perceived as transitional legislation which mirrors the uneasiness of the Government with the current economic situation and various opposition groups, rather than as a statement of the Government's position on decentralization.

Law 145 does increase Government control in several fiscal areas, including disbursement procedures for the various Special Accounts Funds and the establishment of a central review and approval process for any expansion in local fees. This review process is now managed by the Ministry of Local Administration (MLA), not the Ministry of Finance. The shift to the MLA, which represents, or should represent, the interests of the governorates, is a step toward financial decentralization and will hopefully strengthen the ability of the governorates to raise local sources of revenue. Some might argue that strengthening the position of the MLA vis-à-vis the governorates is a push for greater central control. In the short run this may be true, but in the long run the stronger position of the MLA will tend to weaken the controlling influences of all other ministries, since they are now required to coordinate their work with the governorates through the MLA.

Law 145 also requires that governorates submit their draft budgets to the popular councils for review and approval. The law specifically states that, if the popular council disagrees with the governorate budget, it has the right to seek redress through the MLA or the prime minister. This may have important implications for the strength of the local poplar councils in the long run.

"In assessing these additions and deletions to the Local Government Law, it is important to understand that such reforms moving toward and away from greater decentralization are also the barometer measuring the Government assessment of the political situation at any given point in time" (Palmer 1992, page 32).

2.   **Public Mobilization and Local Awareness.** Efforts are now under way to pool all existing resources at the subnational level for the local programmes of action. Public support

is being sought through two major routes: television programmes which are broadcast nationwide and the establishment of formal and informal groups at the subnational level, including the participation of NGOs, universities and private and religious associations. Negotiations are being held to boost the television coverage at the subnational and national levels. Alternative and innovative ways for broadening participation and the commitment of political leaders and the public are being examined. Conferences on the NPA goals are taking place regularly at the subnational level. A semiannual conference is being organized in Cairo for all the governors, as well as the relevant ministries.

3.   **Methods to Formulate and Implement the LPAs**. The ongoing preparation of LPAs is based on situation analyses which include a definite participatory component. So as not to dilute the efforts and activities linked to specific objectives, the short-term focus is on the goals outlined at the World Summit for Children. The assessment of basic minimum needs has been a key methodology in the definition of necessary steps and the establishment of priorities. Technical skills must frequently be improved at the subnational level. Hence, the design of LPAs will have to be carried out in parallel with training courses.

Asyut may be useful for other governorates as a resource centre for three main reasons: the integrated approach has a solid foundation in Asyut; sectoral information systems and the local statistical office are being upgraded for local data processing, and Asyut University has been closely involved in the initiative.

4.   **Organization and Participation at the Local Level**. At a pilot scale, village councils and community leaders are closely involved in the setting of priorities. Each LPA will be the result of parallel efforts conducted by the governor, the executive council, the information centre of the governorate and CAPMAS, the sectoral ministries, district councils, NGOs and private organizations.

5.   **Finance**. Once particular gaps and needs have been identified, discussions on resource mobilization should take place. This will begin occurring once the situation-analysis exercise has been completed. There is no solid costing experience in Egypt, where resources have usually been allocated by the centre on the basis of simple project descriptions. Hence, the exercise will take time. Meanwhile, there is a compelling need for training in costing analysis, problem solving, management, and operation and maintenance. It might be advisable to set up a committee on which the representatives of key ministries (especially the Ministries of Finance and Planning) might sit with their sectoral counterparts, local council members, NGOs and private entities.

V. CONCLUSIONS AND RECOMMENDATIONS

"Focusing on decentralization as an end, rather than as a means, places an unreasonable burden on Government programme staff apparently expected to manage and control a process over which in reality they have very little influence. When programmes or projects are perceived in terms of decentralization as an end, great confusion emerges as to whether or not decentralization requires that all activities of the project be implemented at the village/urban district level, or whether some activities can be implemented at the markaz governorate level. Such an approach also ignores the possibility that different degrees of decentralization may be appropriate at different points in time. If it is an end, then all activities must consistently seek greater decentralization, with the village unit, or even subunit of the village, being the ultimate level for implementing the project's objectives. As a means, decentralization may be conceptualized as a process, not as an end in itself. As a process, different levels of decentralization may be appropriate for different points in time: different levels have different appropriate roles. Thus, for example, a focus on the governorate level may be as justified as the village level, if it can be argued that at this point in time decentralization as a process makes more sense for the ultimate goal being postulated. As a process, there is no violation of the programme goals, if the focus of emphasis is at the governorate level, followed by the markaz level and the village level at some future point in time" (Mayfield 1989, page 34).

The NPA and the LPAs which will emerge now will differ from those already drawn up for two main reasons. First, the commitment of political leaders and the public has grown dramatically recently, and the setting of goals has been a golden opportunity for the formulation of programmes of action. Second, the NCCM will be much more involved in the preparation of the new NPA. It will by then have collected relevant data to furnish a clearer picture of the needs of Egyptian children and the gaps in programmes. The NCCM will also be in a position to suggest alternative types of programmes and encourage the sectoral ministries and governorates to develop cost estimates. The goals indicated in the presidential declaration and the goals outlined at the World Summit for Children will be assigned top priority when the new plan is prepared.

Administrators concerned with strategic management tend to focus on involving their staff in long-term choices and interactive decisionmaking regarding goals, resources, incentives and action plans, all factors which are too often ignored in most planning documents. Such processes, including planning, controls and incentives, will require procedures and structures which reflect the cultural and social patterns of interaction prevalent in Egyptian society. The Egyptian administrative system will require new organizational arrangements which permit more flexible distributions of authority, more open

reporting procedures based on mutually acceptable performance criteria, and commitment-inducing incentive systems.

A governor oriented toward change and development will need to consider the interplay of at least three crucial elements. First, the governor will need to establish a strategy which is both consistent with the long-term policy objectives of the Government and appropriate to the local environment. Second, the governor must be sensitive to the structural characteristics of the Egyptian bureaucracy that represent an obstacle and those which will facilitate the achievement of development goals. Third, the governor will have to exert special care to assure that the processes of participation and monitoring are conducive to human resource development within the administrative system of the governorate and to enhanced involvement among the population at large.

Mayfield (1989) finds that at least six sets of managerial interventions are appropriate.

- *Local implementation flexibility*. Through a series of five-year plans the Government has sought to articulate long-term goals and policy priorities. If properly interpreted, such plans, while suggesting broad policy guidelines, do not necessarily have to restrict the initiative and resourcefulness of a governor in achieving the goals. The Egyptian Constitution and the Local Government Law both give extensive power to governors to implement and encourage effective development processes. As a way of institutionalizing this broad-based planning process, the governorate local development committees should be made permanent subcommittees of the governorate executive councils. Including representatives of both ministerial and popular organizations, these committees can seek to reduce the gaps which tend to exist between planners and "implementors". Such efforts to bring the insights of planning "down" to the operational level of various Government programmes are an innovation which governors should reinforce and encourage.

- *Management information systems*. Local administration in Egypt has seldom maintained the kind and quality of data needed to monitor programme progress effectively over time. The emphasis of most data collection efforts in the past has been to assure proper disbursement and accounting of budgetary allocations. The literature on management processes notes that, when such programme monitoring processes are used to document failure and thus justify sanctions for noncompliance with policy requirements, subtle but very destructive administrative "behaviours" can be—and often are—reinforced. These include greater employee passivity, rigid conformity to regulations, a tendency to report only "favourable" data and a general lack of initiative and creativity.

On the other hand, when such monitoring systems are used to identify and reward progress and improvement, there tends to emerge an administrative environment characterized by greater commitment to performance goals, greater responsibility for and commitment to the needs of beneficiaries and much more collaborative orientation among the higher and lower levels in the administrative structure.

A "status quo" governor has no need for such data, since the only concerns of such a governor are that funds are properly disbursed and that employees conform to the established rules and regulations of the system.

A development-oriented governor actively seeks such information and takes a personal interest in identifying the village councils in the governorate that have successful maintenance programmes, the markaz popular council which has raised significant local resources for a community waste project, the schools which have higher rates of pupils completing sixth grade, and so on. Even a cursory review of such performance indicators demonstrates the impact a development-oriented governor could have on a governorate.

- *Enhancing private sector development*. During the 1960s and 70s Egypt's approach to development tended to emphasize central planning, public sector implementation and Government budgetary allocations to solve social and economic problems. In recent years a new orientation is emerging in the economic and social environment. ERSAP tends to strengthen the private sector, reduce the deficit and stimulate greater productivity and individual entrepreneurship.

However, many Government officials still cling to public sector approaches. They tend to see financial and personnel resources as fixed quantities which are available or not available, depending on the budgetary allocations of the central Government.

A new type of official is slowly emerging who is development oriented. Instead of seeing resources as fixed and thus limited by budgetary constraints, these new officials see opportunities beyond the public sector. They recognize that private voluntary organizations can supplement Government services; they encourage local councils to reach contracts with local entrepreneurs to establish joint projects which can benefit both the public and the private sectors. Instead of being concerned only with using Government resources, these officials seek other ways to augment the resources available to them.

In most governorates there tends to be a short supply of technical and managerial expertise. Reinforced by a relative shortage in financial resources, such scarcities make it imperative that careful thought be given to programme priorities and the best ways to use

the scarce human and financial resources which are available. While certain basic services will need to exist throughout the governorate, there is no reason why some key priorities could not be established and private voluntary organizations, NGOs and community groups could not be encouraged to provide outside resources. (Such is the case with UNICEF community schools and the provision of water, environment and sanitation services.)

- *Human resource management strategies.* Several governors have used their newly acquired autonomy to depart from conventional approaches to implementation and adopt innovative processes which are better able to reinforce effectively their own approaches to development. Particularly important has been the willingness to identify and select staff less on the basis of seniority and passive loyalty and more on the basis of management skills and the ability to get things done. While training and competency-building opportunities can provide some sense of motivation, immediate economic incentive systems are difficult to achieve. Yet, even with little opportunity for such incentives, the motivation of staff can be enhanced through noneconomic incentives such as recognition, status training opportunities, increased levels of responsibility and access to key decisionmaking groups. While the difficulty of instilling the typical administrator with a meaningful level of motivation is recognized, some governors have devised impressively creative and extremely personal ways to communicate appreciation for outstanding performance. Appropriate human resource management is still needed throughout Egypt, but there is evidence that many officials understand the importance of positive management skills (rewarding, instead of punishing) for the process of development.

- *Local institutional capacity-building.* If villages are ever to play a significant role in development efforts, much greater attention must be paid to the ways in which self-sustaining autonomy might be stimulated. When governorate officials determine the needs, plan the programmes and construct the facilities, it is not difficult to understand why villagers refuse to take part later on. Likewise, when governorate officials provide resources and services with no thought to how local participation and local resource mobilization might supplement programme resources, it is not difficult to understand why villagers tend to be apathetic and dependent on local government handouts. Serious thought must be given to ways to foster self-sustaining systems.

The establishment of demand-driven systems might be the key to sustained success. In Egypt top-down administrative systems generally lack the resources to assure that operations and maintenance can be satisfactorily accomplished. A shift in strategy is needed.

- Government programme integration. One inherent weakness in Egypt's administrative system has been the tendency for each service sector to function independently of the others. Thus, even in the same village, health care workers seldom know what the school teachers are doing. Housing people see no need to coordinate their activities with the department of transportation. Agriculture extension workers have little cause to communicate with the representatives of the Ministry of Social Affairs. Officials in supply units seldom interact with those in the Organization for the Reconstruction of Egyptian Villages within the MLA. While there are exceptions, very few formal mechanisms exist to foster improvements in the coordination and integration of the services being delivered. Since each sectoral department perceives that it owes most of its loyalty and responsibility to a ministry in Cairo, there are few incentives to seek or share information with other departments. Vertical relationships with Cairo and separate linkages with a governor do not facilitate horizontal coordination. Few development-oriented governors are actively seeking to bring their staff and sectoral representatives into planning meetings to help coordinate and integrate programmes and activities throughout the governorate. Such meetings are not usually formal and appear to be more ad hoc efforts to find better solutions to common problems. They would be more effective if they were held more regularly.

A review of the efforts of the Government to decentralize the administrative system over the past 15 years suggests a preliminary commitment to send personnel and resources "down" to the governorate level. However, from the point of view of programme integration, the decentralization seems not to have been sufficient.

It can be argued that, when a majority of the governors has become development oriented and a significant number of them is able to influence national policy reform, then the pressures for more decentralization will be forthcoming. However, given Egypt's scarce resources, only when the people understand how local efforts can supplement and increase resources and when they begin to acknowledge the reasonableness of integrating service activities in ways which more efficiently employ scarce resources, then meaningful decentralization can become a reality.

From the point of view of policy reform, the various sectoral ministries might experiment with transferring more funding and the responsibility for personnel to governorates in which individual governors and their staffs have shown a commitment and willingness to pursue development. Governorates have demonstrated varying levels of readiness to assume greater independence from central ministry control. There is no reason

why a pilot programme in decentralization could not be field-tested in a small number of governorates. This is the approach UNICEF has adopted in 1994.

In a study which reviews current experiences in decentralization policy and local administration, Palmer (1992) discusses several recommendations he finds appropriate for enhancing the current environment of local administration in Egypt.

- *Recommendation 1*: Increase public awareness of the local reform laws and their implications. Stimulate public awareness of local government and its role in the delivery of vital services.

- *Recommendation 2*: Find ways to provide local governments with increased budgetary flexibility. Raise the ability of local units to generate local taxes. Give governors the authority to create revolving funds.

- *Recommendation 3*: Link increased budgetary flexibility to improved performance in the areas of planning, operations and accountability. Boost fiscal autonomy at a pace which allows adequate opportunities for the monitoring of technical assistance and the adjustment of decentralized strategies. Provide strong support for decentralization in those areas in which the Government is anxious to decentralize. Clarify the functions which the local administrative units are expected to perform. Assure that local units possess the authority, resources and technical assistance to execute those functions. It may be counterproductive to rush the decentralization process in cases where infrastructure or cultural patterns are not ready to support the exercise. The indicators required for the assessment of the capacity of local units to benefit from the decentralization process must be developed.

- *Recommendation 4*: Tie funding to maintenance. From an administrative perspective, maintenance is difficult. Local staffs either lack the necessary maintenance skills, or are inclined not to use them. Skilled technicians are scarce, expensive and difficult to monitor. From a political perspective, new projects engender more popular support than do maintenance projects. It is also difficult to persuade popular councils to allocate funds for maintenance projects. Thus, in one way or other, maintenance occupies the bottom rung of local government priorities. This will not change without drastic action.

- *Recommendation 5*: Launch a public awareness campaign to focus attention on the importance of maintaining public property. This would respond to a deeply rooted problem which can be solved only with time. However, it is a critical problem, and efforts to solve it must be undertaken immediately.

- *Recommendation 6*: Eliminate proliferation and fragmentation. Political pressures have

led to a proliferation of small projects. This has fragmented resources, made planning and coordination difficult, overwhelmed the limited management and maintenance capacities of local units, compounded already severe problems of accountability and evaluation, rendered it difficult to attract qualified contractors, and diluted the ability of the general public and its elected councils to monitor the development process.

- *Recommendation 7*: Improve organizational procedures within the context of current laws. Productivity in local government units is depressed by a variety of organizational practices which originate in precedent rather than in law. The alteration of these practices is possible through informal negotiations. An administrative revolution is not required.

- *Recommendation 8*: Stimulate individual performance. Productivity in local bureaucracies is depressed by problems of overstaffing, the inability to fire nonproductive employees, salary scales which are prohibitively low, incentive systems which reward longevity rather than performance, and personnel procedures which place minimal emphasis on matching skills with positions. Given these circumstances, achieving substantial increases in unit productivity will be difficult, at best. Some progress, however, can be made.

- *Recommendation 9*: Stress leadership development. The quality of leadership appears to be the single most important variable distinguishing productive units from less productive ones. Some leaders are simply more effective in stimulating the productivity of their employees than are other leaders.

- *Recommendation 10*: Promote informal communication among local government officials. Such informal communication should occur both horizontally (among similar units) and vertically (hierarchically within units). Egyptian bureaucratic practice stresses the compartmentalization of functions. The advantage of this type of system is that it promotes specialization and responsibility. Its disadvantage is that it makes coordination and information sharing difficult and leads to "turf wars" which preclude effective cooperation among units.

- *Recommendation 11*: Make a realistic assessment of the technical support services available to local governments. This list may vary from region to region. Government organizational charts tend to be excessively optimistic in their portrayal of the support services available to local governments. A number of support organizations listed lack both the technical staff and the funds effectively to meet the needs of local governments. Many smaller local government units appear to be unaware of the range of secondary support services available to them in instruction, technical assistance and planning.

- Recommendation 12: Strengthen the links between local governments and local universities. This might be hampered by several factors. For example, Egyptian universities do not currently possess a strong tradition of public service; the research of Egyptian professors tends to be excessively theoretical; programmes in the area of local government and public policy are underdeveloped, and cooperation between universities and local governments is obstructed by a variety of bureaucratic complexities. Despite these problems, it should be possible to forge a strong link between universities and local governments. Many faculty members are genuinely interested in the improvement of Egyptian society. Egyptian academics are also severely underpaid. Many highly qualified faculty members would be more than willing to work with local governments if remuneration were adequate.

- Recommendation 13: Encourage the private sector to play a more vigorous role in the provision and maintenance of local services. Local governments in Egypt lack both the resources and the authority to execute their assigned responsibilities effectively. Greater reliance on the private sector should alleviate this problem by allowing local officials to concentrate their efforts on a limited range of functions. However, the private sector should not be viewed as a "quick fix" for the problems of local government. There are no quick fixes for the problems of local government in Egypt.

- Recommendation 14: To address rationally the requirements of the governorates for Government support of operations and maintenance, the MLA needs to have reliable information on the status of operations and maintenance in each governorate. There is no evidence that such information is provided regularly to the MLA by all the governorates or that the MLA is using information from governorates to request allocations of funds for operations and maintenance.

- Recommendation 15: The Information Development Support Centre is presently attempting to integrate all automated information management functions within a single information management centre. In general, efforts to strengthen governance should include endeavours to improve the quality and accessibility of information from the governorates at the central level. Such an improvement would necessarily lead to a bid to strengthen the information management capability of governorate information centres in general. The specific capability of governorate information centres to respond to the needs of the governorates for information to plan, implement and monitor local development would be enhanced in the process. The use of management information system data from the local level to inform decisionmaking at the governorate and central levels appears to be spotty.

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