Book Review: Decentralization in Nepal: A Comparative Analysis

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This slim book emerges from a report on the Participatory District Development Program (PDDP) of the United Nations Development Program undertaken in 18 districts in Nepal in the mid-1990s. It is divided into 2 parts. The first part is an attempt to explain, in a comparative perspective, the popularity of decentralization as an idea for a development policy that merges social transformation agendas with rationales for administrative efficiency. The second part is more of a summary of findings on the performance of the PDDP. These are less than conclusive about the direction of decentralization in Nepal and are stuffed with “developmentese”, which mostly obscures rather than reveals the processes at work.

The central idea of the first part of the book is brought out with admirable clarity and purpose: “decentralization is ultimately a highly political process since it seeks to redistribute power and resources within the territorial confines of a given nation-state” (p 2). The argument is built up through, first, a consideration of the attribution of actor status to the state in modernization approaches to development and, second, the questioning of central direction, along with recognition of the failure to deliver benefits to the marginal populations that were supposed to have been assisted. Agrawal identifies the resilience of development in its ability to adopt new agendas such as sustainability and incorporating indigenous knowledge. In the current phase of developmental thinking, the market and community are highlighted as key domains for
working toward growth and equity. Agrawal suggests that these can be seen as embodying conflicting objectives, however, devotes little discussion to how manifestations of community and the market are realized in local forms in the rural society of Nepal. The dynamic interplays that occur between status and economic power, in myriad convertibilities between social and material capital, do not find a place here.

Chapter 2 (“Decentralization at large”) provides an instructive outline for a typology of different kinds of decentralization, offering characterizations of its variants, including deconcentration, privatization, devolution, and deregulation. Experiences from a range of developing countries are discussed in Chapter 3, looking at local government reform in Kenya, local energy generation in the People’s Republic of China, and district-level participation in Tanzania. The driving influence of donors’ agendas for dispersing funds is recognized as critical in the moves for decentralization, and the asymmetrical effects of unitary as contrasted with federal structures of government are brought into focus. A key point highlighted is the variable ability of local elites to redirect benefits flowing from decentralization to their advantage. Deficiencies in achieving a genuine capacity for participation in local decision-making processes are noted as causing failure in many attempts to decentralize. The initiative for decentralization is claimed to almost always take a top-down approach, with particular problems then arising as to who takes on the project of reform in specific locales.

This argument is further pursued in Chapter 4, which tries to offer a political-economy approach. By moving beyond mere efficiency concerns for implementing decentralization, and attending to the influence of politics in framing the value perceived in bolstering local scales of action, Agrawal shifts into an illuminating discussion of cases drawn from Ecuador, Bangladesh, Peru, and the Ivory Coast. The important idea he puts across is the heterogeneity of the state and the engagement of a diversity of actors and institutions with the strategic possibilities afforded by decentralization. At one extreme, he argues that decentralization might even be used to extend the reach of the center. Agrawal convincingly lays out scenarios for why certain actors at the center (which is itself divided) might find an advantage, in terms of popularity, in realigning at different scales of mobilization rather than in resorting to the vagaries of “political will” for an explanation of success or failure. Agrawal perceptively comments that connections with struggles over resources and power between people at the center crucially determine the fate of decentralization: “[t]he contours of decentralization policies are defined by the outcomes of these struggles, not so much by any publicly-oriented calculations about efficiency, their contribution to national unity, or their effects on democratic participation” (p 39).

The second part of the book addresses Nepal. The chapters largely focus on flows of information between different scales of government, obstacles to increased participation, comments on the local-level control of decision making by elites under the Panchayat system, and identification of the fact that decentralization has been one of the most conspicuous components of administrative intent since 1990. Access to, and capacity to use, information by village-level actors is noted as a constraint. Horizontal communication between people at village- and district-level positions is recommended, but vertical hierarchies of accountability affecting officials at the district level are seen as inhibiting decision making. The critical rigor of the first part of the book evaporates as development-speak takes over, and there is very little of any substance to hold on to.

One example of the disjunction between the 2 parts of the book is that in Part 1, “sustainability” is critically described as a “shibboleth,” whereas in Part 2 it is uncritically referred to as a component of training packages.

*Decentralization in Nepal* starts from an interesting premise of political analysis but fails to deliver the account of political engagement with administrative reform that it insists is a necessary condition for understanding the likelihood of success in this field. If I have come away with something to reflect on, it is Agrawal’s suggestion that decentralization is never an accomplished fact but a “process in the making.”