The Politics of Decentralisation in Cambodia: The District Level

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ADDENDUM

1. Page 22: add new paragraph after the end of paragraph 1: "The other limitation of the study has been its small sample of only two medium-sized rural districts in Cambodia. This limitation has been partly addressed by efforts to interview as many knowledgeable informants from government, NGO and donor representatives as possible about the implementation of decentralization reform. In addition, in my interviews with officials at sub- national levels, whenever possible efforts were made to collect comparative data from districts and provinces adjacent to the studied districts. This effort has not only provided useful additional information about decentralisation reform in other places in Cambodia but also revealed what and how much they know about their peers and their neighbors that might in turn inform their understanding and perspective of the reform programme."

2. Page 26: last sentence of paragraph 2 omit: "about dismantling state power, and more importantly,"

3. Page 49: at the end of paragraph 2 add: "These two factors – the particular context of reform and the political aims for reform as articulated by elites – are important in explaining the forms and the potential outcomes of decentralisation reform programme implemented in these case studies as well as in Cambodia as I shall show in subsequent chapters."

4. Page 95: at the end of paragraph 2 add: "This view adopted by Cambodian leaders for the decentralisation programme is consistent with and informed by the politics-as-usual context analysed in Chapter 3."

5. Page 130, line 17, at the end of the sentence add: "according to my conversations with MOI and NGO representatives as well as studies by Kim (2012) and Pak (2011a)."

6. Page 178, line 13 after ".... sub-national are all low level ones." insert: "The resistance on the part of line ministries to losing power and control over resources and responsibilities to sub-national councils stemmed from two factors. The distribution of power between national and sub-national levels reflects the interests of some national elites whose key goal for decentralisation has always been about strengthening the power of the central government, particularly the Ministry of Interior, over local affairs. Considerable contestation within and between different ministries and different factions within the CPP has also informed reform decisions. The fierce resistance from the line ministries in coming up with a clear plan for the transfer of power and resources to sub- national level is not only about fear of losing control over the physical resources but also prominently coming from competition amongst elites and ministries about who has

power and who influences the way governance reform decisions are made within the state and the party."

7. Page 186 line 26 insert: "This disappointing result reflects the way in which reform decisions have been observed in politics-as-usual contexts as discussed in previous chapters."

8. Page 243: add new paragraph after paragraph 3: "As for the opposition parties, their penetration into the decentralised structure at sub-national levels provides opportunities for their representatives to interact with potential supporters in rural areas. This has in turn helped to strengthen their access as well as their relations with individual villagers, although my observations in the two districts indicate that these remain constrained in that councillors from opposition parties at commune, district and provincial levels are not allowed to mobilize more than five villagers for public meetings and their activities are closely monitored by the watchful eyes of the CPP officials."

9. Page 248: at beginning of line 27 omit "of this" and insert "reform takes place in the context of politics-as-usual".

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Glossary of Acronyms and Foreign Terms

ADB	Asian Development Bank
ASEAN	Association of Southeast Asian Nations
AusAID	Australian government aid agency
BOG	Board of Governors
CARERE	Cambodia Resettlement and Reintegration Project
CDRI	Cambodia Development Resource Institute
CPP	Cambodian People's Party
CNRP	Cambodia National Rescue Party
CSF	Commune/Sangkat Fund
Danida	Danish International Development Agency
DFID	United Kingdom's Department of International Development
DMF	District/Municipality Fund
EU	European Union
GTZ	German Technical Cooperation
HRP	Human Rights Party
IFAD	International Food and Agricultural Development
JICA	Japan International Cooperation Agency
khan	Urban district in Cambodia
MEF	Ministry of Economy and Finance
MOI	Ministry of Interior
NCDD	National Committee for the Management of Sub-national Democratic Development
NCDDS	NCDD Secretariat
NGO	Non-Governmental Organisation
NP-SNDD	Ten Year National Programme for Sub-National Democratic Development

NRP	Norodom Rannarith Party
Organic Law	Law on Administration and Management of Capital, Province, Municipality, District and Khan
PLG	Partnership for Local Governance
PRK	People's Republic of Kampuchea
PSDD	Project to Support Decentralisation and Deconcentration
RSA	Royal School of Administration
sangkat	Urban commune in Cambodia
Seila	Khmer word for Foundation Stone
SIDA	Swedish Agency for International Development
SNA	Sub-national administrations
SRP	Sam Rainsy Party
UN	United Nations
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNTAC	United Nations Transitional Authority for Cambodia
USAID	United States Agency for International Development
WB	World Bank
WFP	World Food Programme

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Abstract

Decentralisation has been implemented by the Cambodian government with international donor support. Western aid donors expected that decentralisation would contribute to good governance and democratisation in Cambodia. This thesis examines the actual outcomes of decentralisation, particularly at the district level, since the first election of local councils at commune level in 2002.

Through extensive interviews with elected councillors, appointed local administrators, officials in central government ministries, and representatives of non-governmental organisations and aid donors, the research investigates the ways in which the decentralisation programme has been understood, designed and implemented by the government and the ruling party – the Cambodian People's Party (CPP). It also discusses the effects of decentralisation on future governance in Cambodia.

Adopting a political economy approach to the study of decentralisation, the thesis argues that the donor-promoted decentralisation in Cambodia has been designed and implemented in a context where power has been successfully consolidated in the hands of the CPP and its informal patronage network within the bureaucracy, the armed forces and the private sector. Because of this, the decentralisation has helped keep the CPP in power and consequently has militated against the emergence of empowered and independent sub-national authorities operating according to rules-based governance. Thus, it has disappointed the goals envisaged by western donors.

The CPP's preferred mode of governance, combining predation and neo-patrimonialism, differs sharply from the Western aid donor prescriptions for good governance being promoted through decentralisation. In this context, the behaviour of local actors – local councils and the administration – who occupy the decentralised institutions, the authority and resources given to them, and the accountability relationships that are produced by elections and reform processes can best be understood as having been shaped by rather than challenging the pre-existing power hierarchy. Consequently, the thesis shows that there are unlikely to be democratic gains from decentralisation. The research further suggests that a significant shift of political and economic power from national level elites to local leaders closer to the people, necessary for decentralisation to achieve the goals intended by western donors, is not likely to occur. This state of affairs is expected to remain unchanged in the foreseeable future in spite of the CPP's surprisingly poor performance in the July 2013 national election, when it won twenty-seven fewer seats in the National Assembly than in the 2008 election.

Declaration

This thesis contains no material which has been accepted for the award of any other degree of diploma in any University or other institution and to the best of the candidate's knowledge, it contains no material previously published or written by another person, except where due reference is made in the text of the thesis.

Signed:

Date: 30 January 2014

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Chapter 1   Introduction

Like many countries around the world, the Cambodian government is implementing decentralisation as part of its overall governance reform programmes. Western donors have supported such reforms in Cambodia and elsewhere in the belief that they promote good governance and development in line with liberal democratic models. Decentralisation in Cambodia commenced with the first local government election at the commune level in 2002 and expanded with the district and provincial council indirect elections in 2009. New increased mandates for sub-national governance have been extensively delineated in over three hundred laws and policies. However, many crucial decisions over substantial functions and resources necessary for these decentralised institutions to operate autonomously and accountably are yet to be made. Over the last ten years, commune councils have received small discretionary funds from the central government to deliver small-scale infrastructure projects. However, district and provincial councils have not yet been given significant functions or authority over locally-raised revenues to implement their plans. More importantly, powerful informal institutions operating through the ruling Cambodian People's Party (CPP)'s hierarchical and personal network of patronage remain intact. This state of affairs has militated against transferring genuine political power to local leaders and their constituents.

This thesis examines the ways in which the decentralisation programme, and more particularly at the district level, has been understood, designed and implemented by the government with donor backing. My analysis reveals significant implications for the ability of decentralisation to realise its intended goals. Specifically, I seek to explain the ways in which the evolving political and economic context and the consolidation of power by the CPP have shaped the substance and the outcomes of decentralisation in such a manner that a significant shift of political and economic power from national level elites to local leaders closer to the people is very unlikely to occur in the foreseeable future.

1.1   Decentralisation and Political Effects

Since the 1980s, decentralisation, defined as the process of transferring power, responsibilities and resources from higher to lower levels of governments, has been adopted and implemented in many countries around the world (Bardhan and Mookherjee, 2006a, Manor, 1999, White and Smoke, 2005). International donors have not only promoted decentralisation in emerging democracies but also increasingly in authoritarian regimes. Proponents of decentralisation support it on the grounds of effectiveness and efficiency in the use of public resources through reducing the cost for local villagers in making demands and producing services in response to the needs of citizens (Connerley et al., 2010, Martinez-Vazquez and Vaillancourt, 2011). At the same time, they argue that decentralisation promotes good governance by bringing the government closer to the people and making participation and accountability more likely (Grindle, 2007). Here, the promotion of decentralisation through the creation of new institutions and mechanisms is regarded by donors as providing opportunities for citizens and civil society to become involved in decision-making processes of the government and to hold public officials accountable for their decisions.

However, several studies published so far have pointed out that such promises have rarely materialised. Some research has found that although normative goals associated with improving governance and deepening democracy are endorsed by many governments that adopt decentralisation, these goals are not realised in implementation (Agrawal and Ribot, 1999, Boone, 2003, Eaton, 2001). These studies show that donor-promoted decentralisation reform can instead be used by ruling elites to achieve different goals than those intended by international donors. This literature criticises institutional reforms such as decentralisation for failing to address the power relations that might transform relationships between ordinary citizens and powerful elites; instead, reforms reproduce and entrench the pre-existing power hierarchy (Agrawal and Ribot, 1999, Craig and Porter, 2006, Green, 2010, Hadiz, 2010). For example, a number of scholars have argued that the purpose of decentralisation in Indonesia, from the perspective of its government, is to better manage political conflicts emerging out of sudden crises after the sudden collapse of the Suharto regime in 1998 (Crouch, 2011, Hadiz, 2010, Hofman and Kaiser, 2006). This helps to explain the rapid and substantial introduction of decentralisation in Indonesia, rather than a desire to extend power to ordinary people.

In this context, while new mechanisms for participation and accountability are introduced along with decentralisation, they are not positively correlated with a greater voice and influence for ordinary citizens over the behaviour and decisions of government officials (Arghiros, 2001, Blair, 2000, Crawford and Hartmann, 2008, Crook and Manor, 1998b). Instead, a growing literature on participation and accountability points to political co-optation of participatory and accountability mechanisms by elites (Rodan and Jayasuriya, 2007, Fritzen, 2006, Mansuri and Rao, 2013, Gaventa, 2004b). Consequently, various forms of participation and accountability promoted through decentralisation, intended by donors to empower citizens to hold state officials to account, have been implemented as new ways for a ruling party and its government to exercise hierarchical control.

Furthermore, existing evidence also shows that to the extent that decentralisation has been meaningful, it is only because reform is being supported by empowered demands from below (Crook and Manor, 1998b, Grindle, 2007, Hadiz, 2010, Campbell, 2003). The ability of local level interests to influence and pressure elites to decentralise power and resources to them is not only critical to begin the reform but also important in the long processes of implementation once decisions have been adopted. This implies that the emergence of such capability within the state or civil society is necessary in the initiation and on-going process for the development of decentralised institutions and practices.

By contrast, existing studies show that in countries where decentralisation has been implemented by elites as a result of pressure from international financial institutions and western aid donors rather than as a result of demands from within, decentralisation tends to be shallow and incomplete, making it difficult or even impossible for decentralisation to work as donors intended (Crawford, 2009, Lambright, 2011, White and Smoke, 2005, Devas and Delay, 2006, Bardhan and Mookherjee, 2006a). In these cases, decentralisation offers few opportunities for empowerment, accountability and political participation by ordinary citizens in determining how government policies and decisions are made. Instead, local elites implement donor-promoted decentralisation reform as long as it strengthens their own regime reach and maintains their hold on power. The political implications of this kind of decentralisation subordinate the good governance approach to the often highly effective pre-existing mode of governance and its power hierarchy, thus constraining the potential of decentralisation to realise the goals intended by aid donors.

To the extent that decentralisation is adopted by the elite, the scope and potential outcomes of decentralisation also depend on the changing political and economic context within which it is initiated and implemented (Eaton, 2001, Eaton et al., 2010). This view is supported by a body of literature that recognises that context matters in explaining the evolution of decentralisation. Understanding the context for reform requires an examination of the existing systems of power, how power is exercised and by whom, and how decentralisation programmes accommodate power. When studying power and politics in developing countries, scholars often draw on the notion of patron-client relationships, in which politics is based on personal and hierarchical relations where patrons provide favours and benefits to clients in exchange for loyalty and support. This notion is regarded as having powerful implications for state-society relations in a manner which is the antithesis of what is envisaged in the liberal model of governance promoted by decentralisation advocates. Finally, decisions about and potential outcomes of policy reform are influenced by the particular circumstances within which reform policy is initiated and implemented. These particular circumstances of reform can be categorised into crisis-ridden or politics-as-usual (Grindle and Thomas, 1991). In crisis-ridden circumstances, reforms are more radical and innovative as there is strong pressure for reforms, whereas in politics-as-usual situations, reforms tend to be about addressing conflicts within the bureaucracy and clientele relations. It is to be expected that the forms and likely political implications of decentralisation will be quite different in these circumstances.

1.2 Cambodia's Experience with Decentralisation

Cambodia's decentralisation programme described and analysed in this thesis emerged initially as a government project called the Seila ('foundation stone' in Khmer) programme in 1996. Seila was a governmental policy experiment in decentralised local development planning, financing and delivery of rural services. It provided a framework for the mobilisation and spending of a budget provided by international donors and the national government to meet needs that were locally identified through participatory planning processes. Over the years 1996-2000, the programme attracted significant funding from western donors while the contribution from the Cambodian government remained small.

The success of the Seila programme in attracting donor funding and in delivering infrastructure projects to rural Cambodians at a time when rural development capacity was lacking, prompted the national government's interest in decentralisation (Hughes, 2007a, Rudengren and Ojendal, 2002). In 2001, the government adopted two decentralisation laws that paved the way for commune council elections in February 2002. Communes, the lowest level of sub-national governments in Cambodia, have always been given a meagre amount of capital budget to deliver small-scale infrastructure projects through their participatory planning exercises. Although the commune decentralisation law grants communes expansive responsibilities and authority over a variety of sectoral functions and own sources of revenues, all of these promises remain on paper only.

Decentralisation at the commune level emerged between 1999 and 2001 in a context where power was gradually consolidated in the hands of the CPP and its patronage network. The CPP (initially called the Kampuchean People's Revolutionary Party) was put in power by Vietnamese authorities in 1979 soon after the collapse of the Khmer Rouge regime, and was given the task of rebuilding the country from virtually nothing. Due to lack of government revenue, international isolation, an on-going war with the Khmer Rouge and lack of trust of the communist-oriented regime by officials and the people, the Cambodian state in the 1980s was very weak and failed to implement many of its socialist-inspired policies (Hughes, 2003, Slocomb, 2003). Although officially prices and markets were centrally controlled, a shadow economy was allowed where unregulated and illegal economic activities took place (Gottesman, 2005, Hughes, 2003). Revenue generated from the shadow economy by state officials and individuals with access to protection and by powerful individuals produced cash for the party and the state that helped it to survive. In 1989, a market economy was enacted but the corrupt practices continued which have over time contributed to the strengthening of CPP's network of patronage and to a form of development that has enabled a small number of individuals to amass personal wealth at the expense of the rural subsistence economy (Gottesman, 2005, Hughes, 2003, Hughes and Kheang, 2011a).

As a result of the Paris Peace Agreement of October 1991, the United Nations Transitional Authority for Cambodia (UNTAC) arrived in Cambodia in 1992. UNTAC was tasked to end the on-going conflict and to organise elections aimed at putting Cambodia on the road to democracy. International legitimacy and recognition were restored, resulting in an

influx of foreign aid, international assistance and foreign investment. Following the CPP's electoral defeat in 1993 by the Royalist party, Funcinpec, the CPP rejected the election results and threatened to launch a military coup. A coalition government was formed whereby power was supposed to be shared equally between Funcinpec and CPP, with Prince Norodom Rannarithof Funcinpec and Hun Sen of CPP becoming joint prime ministers. However, Funcinpec had difficulty exercising authority over the affairs of the state as the CPP dominated the government through its network of personal loyalty with bureaucrats, local authorities and the armed forces (Chandler, 2008, Un, 2005). The fragile coalition government between Funcinpec and CPP ended after the CPP ousted Prince Norodom Rannarith in a military coup in 1997. Since 1998, CPP has won all national and local elections.

Full peace and stability were finally secured after the death of Pol Pot in 1998 and the last Khmer Rouge insurgents were integrated into the government in 1999 by offering them positions which gave them prestige, protection and opportunity for wealth accumulation. Soon afterward, Cambodia joined the Association of Southeast Asian Nations (ASEAN). International recognition and aid to Cambodia also grew substantially in many sectors. By the early 2000s, many donor-promoted governance reforms were adopted in the pursuit of further aid, investment and recognition after the CPP secured the monopoly of power. Foreign investors from Taiwan, Korea, Malaysia and China succeeded in setting up factories which produced garments for export. Integration of the Cambodian market into the region and the world further attracted local and international investors. The CPP awarded government contracts and concessions over land and common resources in return for donations to pay for the party's sponsored development projects which helped it elicit votes from its rural base. However, Cambodia's record in ending the war, maintaining stability and achieving growth did not conform with the legal-rational form of governance advocated by international donors. Rather its success has been achieved through a strategy of consolidating loyalty via networks of patronage forged within the state, the private sector and the armed forces (Heder, 2005, Hughes and Kheang, 2011a, Un, 2006).

In a context where elections have been institutionalised, the CPP legitimating strategy has shifted from elite patronage to mass patronage (Hughes and Kheang, 2011a). Following their 1993 electoral defeat, Prime Minister Hun Sen and his CPP experimented with politicised rural development programmes through which small-scale infrastructure

projects were delivered to rural communities by the party elite in exchange for votes at election times (Hughes, 2003, Pak, 2011a). These politicised development programmes were paid for by funds mobilised from the growing private sector, from donors and NGOs, and by siphoning off public funds and revenues. Public officials from both the national and local levels were expected to go down to 'the base' (local level) and be seen working with the villagers in delivering party-sponsored projects (Craig and Pak, 2011).

In line with this approach, the Seila experience with local participatory planning and disbursement of donor funds to rural projects became intertwined with the CPP's evolving electoral strategy. To some extent, donor-promoted decentralisation reform became attractive to the CPP which has extended its network of loyalty and patronage to local villagers in rural Cambodia. Decentralisation at the commune level has been significant in the CPP strategy for voter mobilisation. Commune councils focus on conducting participatory planning exercises and delivering small-scale infrastructure projects which are then presented by CPP-dominated commune councils as gifts from the party to the people. Since 1998, the CPP has won a series of local and national level elections. Commune decentralisation has forged an improved relationship between state authorities and the people through the distribution of development projects. It has also strengthened relationships between the party and local villagers: locally identified needs collected through the commune development planning process are passed upward through the party structure to the national party elite to respond. Funding from the CPP for rural infrastructure projects has outstripped funding made available to the communes through the party structure of working groups and donation networks.

1.3   Decentralisation at the District Level

After a few years of commune decentralisation, donors recognised that communes were too small to be a viable level of government capable of delivering services. There was also a realisation that while decentralisation has started it is incomplete as far as a substantial delegation of functions and resources from central ministries down to communes and accountability is concerned. Decentralisation at the commune level has not provided villagers with political authority and hence representation or control in decision-making. Donors pressured the government to embark on a new decentralisation programme aimed at encompassing all levels and aspects of government. In 2005, the government adopted a

Strategic Framework for Decentralisation and Deconcentration which promised to restructure government institutions from central down to commune level in order to promote what it calls democratic development. Following the framework, the Law of Administration and Management of Province, Municipality, District and Khan[1] was passed in 2008 (which the government commonly refers to as the Organic Law 2008) which paved the way for the establishment in May 2009 of district and provincial councils and their boards of governors. In 2010, a ten year National Programme for Sub-National Democratic Development (commonly known as the National Programme for Decentralisation) was adopted which provided a long-term plan for the new phase of decentralisation aiming to promote a deeper and more substantial transfer of power and resources to district level. The district level is the focus of the government's new decentralisation plan.

The Organic Law 2008 and the National Programme promised to substantially transform the district level with power, authority and strong accountability whereby districts are required to be directly accountable to the communes and to respond to commune demands in promoting both good governance and local development. However, district councils were indirectly elected by CPP-dominated commune councillors. Members of the boards of governors (appointed administrators) of the district authorities are given high ranking status and appointed by the central government rather than by the district councils. Also, the central ministries have not taken concrete decisions about what kinds of functions and resources these district councils should have. More importantly, while decentralisation has officially been promoted within the state, since 1993 centralisation of power within the state and the party patronage networks continues to deprive local leaders of resources and autonomy. Consequently, the government's claim that district level will be empowered with authority and resources to be held accountable by local villagers through the commune councils is counter-intuitive and therefore requires a close examination.

This thesis sets out to explain the way this new phase of the decentralisation programme, particularly at the district level, is understood and is being implemented. It seeks to explain who pushed for decentralisation and why, and whether district decentralisation has had an impact on how the district levels represent the interests of citizens and are

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[1] Khan refers to urban district.

accountable to them, and how they contend with the interests of party, economic and social elites in implementing decentralisation. The research questions addressed in this thesis are:

> Why did the Cambodian government and the ruling party decide to implement decentralisation at the district level? What are the likely political implications of decentralisation in Cambodia?

And to answer these core questions, the following sub-questions need to be addressed:

- What are the government's rationales and motives for decentralisation?
- How has decentralisation been implemented?
- Whose interests does the decentralisation programme reflect?
- What do these people expect decentralisation to achieve?
- How are local councils and officials responding to these expectations?
- Does decentralisation represent an opportunity to displace patronage, hierarchy and party top-down control with new democratic forces and rules-based outcomes?
- What are the likely effects for Cambodia's future political development?

1.4 Study Approach

So far there has been no published study about decentralisation at the district level in Cambodia, although a great deal has been written about the commune decentralisation since the 2002 local election. Much of the literature on the commune can be divided into two categories. The first group treats Cambodian culture as inherently problematic for the success of decentralisation. Observers in this group are pessimistic and suggest that there is a clash between Cambodian culture – its preference for hierarchy and deference, its intolerance of differences, and its reluctance to accept new ideas – and the participatory and democratic values promoted by decentralisation. Some writers explain the weak form of decentralisation at commune councils as rooted in the antagonism of Cambodian culture towards the democratic values promoted by decentralisation (Blunt and Turner, 2005, Chan and Chheang, 2008). As a result, these writers assert, donor-promoted decentralisation has faced, and will continue to face, enormous challenges.

In contrast to the cultural approach, the second group in the study of commune decentralisation is more optimistic and includes donors and consultants writing reports for

international institutions. This group rejects the cultural thesis, arguing that it dismisses opportunities for international institutions and actors to intervene. For instance, James Manor, a prominent scholar on decentralisation, writes that:

> Several distinguished analysts have argued that Cambodia's political culture is a major impediment to democratic decentralisation there. But there is also solid evidence to show that old habits of mind, conscious and unconscious, need not defeat serious efforts to promote local democracy (Manor, 2008:3).

Thus, this approach regards the success of decentralisation in Cambodia as dependent upon the design of institutions and processes – policy, legal framework, capacity, resources and accountability mechanisms. Again, Manor argues that there are three and only three requirements to make decentralisation in Cambodia achieve its democratic development goals – substantial resources, substantial power and accountability mechanisms (ibid p.8). This normative view is widely shared among international donors whose efforts focus on these areas for decentralisation. Consequently, according to this approach, the prospects for donor-promoted decentralisation require sustained international donor support and a continuous process of policy and institutional improvement so that new institutions and actors can be established, new policies can be developed, and new capacity can be built so that progress can be made.

Emerging international literature on decentralisation associated with a political economy approach has criticised both of these categories of studies. Yet, surprisingly, few studies of Cambodia's decentralisation have adopted a political economy approach. This approach takes as its starting point the assumption that new institutions and policies are shaped within larger conflicts over power and resources. Outcomes of governance reform are closely associated with elite interests and the ability of competing social forces to exert pressure for reform. Specifically, the approach emphasises the importance of power relations, the interests and incentive structure of political actors involved and the ways in which the reform is implemented to fit into or transform the existing system of power. As such, outcomes of decentralisation are contingent and dependent upon the relative strength of different contending groups whose strengths and relations change over time.

This political economy approach is best suited to explain the ways in which different political actors at national and sub-national levels in Cambodia are adapting and taking

advantage of the changing political and economic context within which they operate. I argue in the thesis that this approach offers a deeper understanding of the situations, tensions and motives of the different contending actors involved in the process of designing and implementing decentralisation in Cambodia. Consequently, I will argue that due to the absence of pressure for decentralisation from powerful internal forces, the enactment of donor-promoted decentralisation in a context where power has been consolidated in the hand of a patronage-based party – the CPP – has resulted in a decentralisation programme that reflects the needs and character of the CPP rather than undermining it in the interest of the population at large. Thus the way in which decentralisation has occurred in Cambodia has militated against the emergence of empowered and independent sub-national authorities operating according to rules-based governance that can be held accountable by the local constituents.

1.5 Research Methods

This thesis is based on primary and secondary information collected during fieldwork in Cambodia. Since no research has been published on district decentralisation, this research depends on data and information collected during fieldwork conducted in two districts which, to preserve the anonymity of my informants, I call Thmar and Dek. Both districts are of similar size in terms of the number of communes, their populations and the personnel in the district councils and administration. Thmar district is about 100 kilometres from Phnom Penh. It includes a special economic zone near the border with Vietnam. The district produces a number of commercial crops for export. Dek, on the other hand, is located in a rice-growing plain near the Tonle Sap Lake about 65 kilometres from Phnom Penh. Livelihoods there depend on subsistence rice farming, making palm sugar, and small-scale weaving and pottery. Both districts, like all other districts in the country, have CPP governors and CPP chairs of district councils.

My fieldwork in the two districts was conducted in three phases: in December 2010-April 2011, December 2011-March 2012, and December 2012-February 2013. The first phase involved applying for research protocols from the Ministry of Interior (MOI) for the fieldwork process, contacting provincial and district administration to arrange for visits by sending out letters from MOI that explained the purposes of the research and introduced myself. After securing permission, I visited a district in Takeo province to gain a basic understanding of the decentralisation process, to acquaint myself with actors and situation

on the ground and to help me revise my fieldwork protocols. During this primary phase of fieldwork, I also attended several meetings organised by MOI or non-government organisations (NGOs) at the national level relating to the implementation of the reform. My meeting with MOI officials and ministry advisors helped me select my case studies. During this first phase, I made two one-week visits to Dek and Thmar. Besides interviews with key informants, I also attended their meetings and spent time in their offices. Being in their offices, observing their interactions and listening to their conversations and sometimes going out to lunch with them, contributed to my understanding of the daily activities and interactions within the districts. My strategy with the first phase was open and explorative. I hoped to collect as much information as I could.

As my understanding of the decentralisation process deepened, I refined my analytical framework. During the second phase of fieldwork, the interviews and data collection became more focused. During this phase, I had additional one-week stays in each district and was able to conduct structured interviews with selected informants and to investigate some of the stories and sensitive issues that had become apparent to me in my first fieldwork visits. My final visit to Cambodia consisted of a quick trip to each district where I met with key informants at the district offices (district governors, chairs of councillors, director of district administration, and representatives from opposition councillors) to get an update of their activities and views and to ascertain whether there were new activities and whether progress had been made. I also attended the annual work plan and budget workshop organised by the NCDD (National Committee for the Management of Sub-National Democratic Development) in December 2012. All field visits were pleasant and I had no difficulty in organising meetings and having respondents discuss their views and understandings with me.

My thesis relied on three techniques to collect the primary data: formal interviews, informal conversations, and participant observation in formal meetings, events and daily activities. I adopted a semi-structured interview technique in the form of guided conversations rather than a structured inquiry to allow ample opportunities for respondents to provide their perspectives and convey their understanding of their roles and the decentralisation process. Interviews initially took place in group settings such as CPP councillors, female councillors, councillors from opposition parties, commune councillors, and members of the board of governors, before moving on to one-to-one or three person

in-depth interviews. I also conducted two focus group meetings with local residents in each of the four communes studied to get some sense about what ordinary villagers know and what they think about decentralisation at the district level.

In all my meetings, I found that people were frank and enthusiastic to share with me their thoughts in answering my questions, as can be seen from their remarks quoted in the chapters. Being a Cambodian woman undoubtedly made it easier for me to converse with people than it would have been for a foreign researcher. This was despite the fact that interviewees were required by Monash University's code of ethics to sign consent forms. The consent form was helpful in my case to the extent that without it, the respondents might have thought I was an official from the powerful Ministry of Interior coming to find out how sub-national officials were performing their jobs. Most of the formal interviews took place within the compounds of offices during working hours. In some instances, interviews took place outside of working hours and offices at the request of the interviewees. Focus meetings with local residents were conducted at primary schools, at local markets and in commune offices.

I also found that my informants at the national level, from government ministries to NGO and donor representatives, were open and keen to share their view points and answer my questions. My previous working relationships with MOI as a CDRI[2] researcher from 2003-2009 and as a member of the formulation team assisting the government in the development of the National Ten Year Programme on Sub-National Democratic Development from September 2008 to April 2009 sped up my access to documents and facilitated meetings with key officials within the ministry.

In total, the fieldwork comprised in-depth interviews in Khmer with 89 people at national and sub-national levels as shown in the Table 1.1 below (with details about their positions provided in Appendix 2).

Table 1.1 Lists of Informants' Institutions

National Level	Provincial Level	District Level	Commune Level
• Secretariat of NCDD	• Boards of governors	• Boards of governors	• Commune councils

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[2] CDRI-Cambodia Development Resource Institute is a leading local independent policy research centre in Cambodia.

• Ministry of Interior • Ministry of Economy and Finance • Ministry of Planning • Ministry of Education • State Secretariat of Public Functions • Council of Administrative Reform • International Decentralisation Advisors at MOI • Cambodian decentralisation advisors at MOI • Cambodian NGO representatives • Donor representatives • Cambodian and international researchers	• Directors of administration • Provincial councils • Provincial advisors	• Directors of administration • District councils • District advisors • Commune/Sangkat Support Office • District Offices of Agriculture • District Offices of Health • District Offices of Industry and Mining • District Offices of Taxation • District Offices of Education • District Offices of Social Affairs • District Offices of Planning	• Village chiefs • Focus group meetings with local residents in four villages

In considering potential criticisms of my thesis, one of its obvious limitations is that it focuses on the district level, where decentralisation only began in 2009. This early phase of decentralisation may have partly contributed to the lack of progress in transferring functions and resources from national to district level. It may also partly explain the inactivity of the newly-created district councils in responding to their constituents. In recognition of this limitation, the thesis has incorporated the experience of commune decentralisation into the analysis and discussion about the district. Furthermore, the key focus of the research has not been merely about how well decentralisation has been implemented as envisaged in the law and policy already in place. Rather, the thesis focuses on how the implementation of the decentralisation programme reflects the way it is being conceptualised and understood by the actors directly involved in the design and implementation and what their expectations and intentions are for the programme. I am also interested in explaining why the Cambodian government, which generally does not comply with donor demands, has implemented a decentralisation programme promoted by donors. I found out from my fieldwork that district councillors and members of boards of governors continue to seek advice from provincial and MOI officials about their decisions, and this is not, as it is usually assumed, due to their lack of capacity or lack of understanding of the laws, but due to the persistent efforts of MOI officials to exercise control.

Although I acknowledge that my thesis relates to an early stage of decentralisation at the district level, I would argue that it provides important research data that can be usefully followed up by later studies to see how the decentralisation programme may change and what factors enable or constrain change as the broader political and economic context evolves.

The other limitation of the study has been its small sample of only two medium-sized rural districts in Cambodia. This limitation has been partly addressed by efforts to interview as many knowledgeable informants from government, NGO and donor representatives as possible about the implementation of decentralization reform. In addition, in my interviews with officials at sub- national levels, whenever possible efforts were made to collect comparative data from districts and provinces adjacent to the studied districts. This effort has not only provided useful additional information about decentralisation reform in other places in Cambodia but also revealed what and how much they know about their peers and their neighbours that might in turn inform their understanding and perspective of the reform programme.

1.6   The Structure of the Thesis

This thesis is structured as follows. Chapter 2 discusses debates in the decentralisation literature and the various approaches to studying it before selecting which approach best fits the study of decentralisation in Cambodia. Chapters 3 and 4 provide contextual background to the political economy of state-building in Cambodia and the evolution of decentralisation, and discuss how decentralisation has so far been constrained by the political economy of the Cambodian context. In particular, chapter 4 discusses the government rationales and motives behind implementing decentralisation reform promoted by international donors since the mid-1990s. It also shows how decentralisation has so far been implemented not as an exercise to strengthen democratic accountability and grassroots empowerment, but instead to help the government, particularly the Ministry of Interior and the CPP to maintain control over its rural power base.

Because of this, the substance of responsibilities and authority, as envisaged by the Organic Law 2008, of the new decentralised institutions and actors being promoted into the district level, the reorganisation of the district administration and their relationship

with local residences reflects and serves the interests of the Ministry of Interior and the CPP. Chapters 5 to 9 document this claim and present empirical evidence about decentralisation at the district level based on the fieldwork data collected at the national level and in two districts.

Those five chapters are broken down as follows. Chapters 5 and 6 examine characteristics, motives and goals of district councillors and members of the boards of governors in understanding who these key actors are in the new institutions, how they relate to the pre-existing power hierarchy and their interest in and expectations of their positions and the decentralisation. Chapter 7 presents a discussion about the responsibilities and authority of the new decentralised institutions, and the substance of these authorities in assessing the extent to which genuine power has been redistributed from the centre to local levels. This chapter also looks at the roles and relationship between the district authorities and central government ministries, particularly the Ministry of Interior. While the district level is given power and autonomy to make their own decisions on issues listed in the Organic Law, the details about how such authority and autonomy are to be exercised by the district are determined by the MOI which is awarded enormous powers such as appointing district councils' personnel, issuing regulations, building capacity, conducting oversight, and dissolving district councils. Given MOI's extensive disciplinary power over sub-national government both within the state and the CPP hierarchy, district councillors and their administrators continue to look upwards for approval. They complain that they have more power on paper than in reality.

Chapters 8 and 9 investigate accountability relations between district councillors and their administrators (Chapter 8), and between district and commune councils (Chapter 9). Specifically, these chapters discuss how the monthly council meetings are organised, who participates and speaks there, what issues are discussed and what effects the meetings have in promoting participation of local villagers and accountability of higher to lower levels of government.

Finally, chapter 10, the conclusion, presents the main findings of the thesis, discusses the implications of decentralisation for Cambodian governance and considers the future prospects for decentralisation in Cambodia, especially in light of the 2013 national

election where the CPP won only 63 seats, twenty-seven fewer than it had won in the 2008 election.

Chapter 2   Debates on Decentralisation

Most developing countries have had decades of experience with implementing decentralisation programmes. Yet most, if not all, of the literature on decentralisation continues to be about finding the right institutional design for decentralisation to achieve its expected normative goals. Much less emphasis is given to explaining how and why decentralisation really works on the ground. Part of the reason is the preoccupation of existing literature with how to implement change and get the technical and institutional arrangements right. It failed to examine the interaction between the design and implementation of decentralisation programmes and how this interaction is influenced by powerful forces associated with the country's economic and political development.

In this chapter, I will identify the debates involved in studying decentralisation. Much of the existing literature argues that the promotion of democratic decentralisation or devolution is desirable as it entails the prospects of transforming power structures that are dominated by alliances among powerful elites of that society in favour of empowering local people and marginalised groups. The promotion of democratic decentralisation in developing countries leading to the people electing their own sub-national government representatives is seen as offering the means for the people to contest those powerful alliances. The literature points out that democratic decentralisation creates two essential political opportunities for the people: (i) by providing them with access to their chosen representatives to register their political demands, and (ii) by giving them an opportunity to participate and influence how decisions are made and how resources are distributed. However, studies of the effects of decentralisation published so far have pointed out that such promises have rarely been achieved. There are two explanations for this failure. According to the institutionalist approach, desirable outcomes depend upon the design of decentralised institutions and processes – policy, legal framework, capacity and accountability mechanisms. The political economy approach, by contrast, conceptualises decentralisation institutions and outcomes as determined by power struggles among powerful elites. This thesis follows the latter approach.

The chapter starts by defining key concepts such as decentralisation, participation and accountability, and then briefly describes the evolution and promise of decentralisation. Next, I present a more detailed discussion of the two political opportunities mentioned above, namely participation and accountability in decentralisation, drawing on insight from existing literature to locate specific problems relevant to this thesis. The chapter then examines the two main approaches to the study of decentralisation and argues for a structured political economy approach for the study of decentralisation, drawing from decentralisation experiences in Southeast Asia, Latin America and Africa.

2.1 Decentralisation: Definition, Conceptual Evolution and Promises

Decentralisation can be defined in many ways and is understood differently in many countries.[1] Generally it means 'reversing the concentration of administration at a single centre and conferring powers on local government', and involves the delegation of power to lower levels in the territorial hierarchy (Smith, 1985:1). The term may refer to three things: political or democratic decentralisation, deconcentration or administrative decentralisation, and fiscal decentralisation (Manor, 1999). Administrative decentralisation or deconcentration refers to the delegation of tasks and transfer of authority from a central government to sub-national governments which can be seen as branches of the central government (Cohen and Peterson, 1999). Fiscal decentralisation is often included when countries embark on decentralisation to refer to transfer of revenue and expenditure authority from the centre to a lower level of government (Scott, 2009).

Political decentralisation occurs when power and functions are transferred from central to local governments and when local government is based on political representation where councillors are locally elected representatives of the people who live in the area (Manor, 1999). This is also called devolution or democratic decentralisation and is considered by decentralisation promoters as the most important and transformative type of decentralisation. Decentralisation with devolution of administrative and fiscal power to locally elected bodies is seen as facilitating good local governance as elected bodies as representatives of local people are empowered with independent authority to make decisions and be accountable to their constituencies. Ample evidence of decentralisation programmes around the world reveals that many variations of these three forms are being

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[1] Rondinelli and Cheema (2007) provide good overview of the history of decentralisation.

implemented: from China's strong fiscal and administrative decentralisation with weak political accountability (Landry, 2008) to the Philippines' devolution but with weak fiscal power (Eaton, 2001). These different choices over what forms of decentralisation are adopted affect the potential impact of decentralisation on the relations between local and national actors, and between state and society (Falleti, 2005). Furthermore, the decisions whether to deconcentrate or to devolve power when a government adopts a decentralisation programme depends on who pushes for the reform and with what aims, and the context within which decentralisation programme is developed and evolved. I will return to this point when discussing approaches to the study of decentralisation.

2.1.1 Evolution and promises of decentralisation

For the past few decades, decentralisation has been at the heart of governance reform programmes promoted and supported by international aid agencies and donors in emerging democracies as well as in authoritarian regimes (Manor 2011). Decentralisation programmes have found support from advocates of both democratic governance and neo-liberal economic reforms who both argue that decentralisation improves democratic governance by bringing government closer to the people and making accountability more likely. At the same time, they argue that the use of scarce state resources would become more efficient by ensuring faster and more effective response to the needs of citizens. In short, decentralisation is seen as a means to transform unresponsive, over-centralised and unaccountable states. The emphasis in decentralisation programmes has evolved from 'scaling back the state' to 'creating a capable state', reflecting the development of the thinking of neo-liberals whose core approach to governance is not only about reconfiguring the roles of the state but also about embracing market-like competition.

Initially, in the 1980s and early 1990s, western donors and international financial institutions promoted decentralisation in developing countries as a means to displace the corrupt, swollen and inefficient state as they claimed these were the core problems hindering development in these countries. Accordingly, at that time international financial institutions forced governments in developing countries to undergo structural adjustment; particularly to downsize public expenditure and civil services, reducing state roles in core service delivery through privatisation and contracting out to non-government

organisations. Under this approach, North claims that societies which have succeeded economically are societies where efficient market exchange mechanisms (i.e. institutions) have developed strongly over time (North, 1990). Here, heavy-handed regulatory institutions are not needed because consumers can demand accountability (and create efficiency) themselves by using their capacity for 'choice, voice, and exit' (i.e. their ability to choose, to spread negative information about a poor supplier, or to go to another supplier).

Neo-liberal views changed during the 1990s, as the important role of the state in governance, and especially in providing a strong institutional framework for markets and development, became more obvious. The 1997 World Development Report published by the World Bank introduced the notion of the Capable State, arguing for greater roles for the state in development in order to complement, not replace markets. 'Capable State' approaches combine many concepts from Weber, New Public Management and New Institutional Economics. Unlike earlier focuses on downsizing and removing the state as much as possible from the market, a key facet of this strategy is building up institutional capacity to counteract market failures. The development of state accountability becomes a cornerstone of such an approach. Now under the banner of 'good governance', many international institutions proclaim that rather than attempting to do too much, the Capable State should focus its activities on the functions that match its potential capacity, and which, if done well, will enable markets and economic growth. Essentially, the capacity of the state refers to the ability 'to plan and execute policies and to enforce laws cleanly and transparently,' and therefore promote better accountability and development (Fukuyama, 2004:7).

In this context, decentralisation has become an attractive policy solution to achieve effective, efficient, and accountable governments for both international financial institutions and western donors. It is assumed that local governments have better knowledge of local needs and, when given the power, are more likely to respond to local preferences. Advocates for decentralisation also believe that greater responsiveness is achieved because local governments are close to their electorates and hence have better access to information about their needs and therefore are more easily held accountable by

local people. This idea assumes that local leaders will act in the interests of the public, that there is no interference from outside interests or groups in their decisions and activities, and that there is an empowered civil society ready to make political demands through decentralised institutions. Decentralisation is predicted to provide citizens with opportunities to participate in decision-making in local governments, and thus have incentives to take ownership of decisions and projects, resulting in more effective and better quality projects leading to poverty reduction and sustainable development. These outcomes will enable engagement and empowerment of the community to have a say in identifying their own needs, solutions and priorities through participatory planning and budgeting. Through this process, poor people are expected to learn how to exert their collective voice, exercise their choices and ultimately control local politics (World Bank 2004; Craig and Porter 2006).

Thus, the promotion of decentralisation of administrative and political power from central government to local government is believed by international financial institutions and western donors to offer two significant gains for the people. The first is the opportunity for the people to participate in decision making and hence influence how governments execute policy. Second is the opportunity for the people to have representatives who are directly answerable to their political demands. These two gains – participation and accountability – are the most important aspects identified in the current literature as the elements that can make decentralisation succeed or fail. In the next section I examine each of these concepts in more depth, and discuss the differing ways these terms are used, and the conditions within which participation and accountability can effectively achieved in decentralisation.

2.2   Participation and Accountability in Decentralisation

2.2.1 *Defining participation and accountability concepts*
Participation refers to processes and mechanisms whereby citizens or their representatives are consulted in meaningful ways over how government makes its decisions, policies and priorities (Blair, 2000). This concept is very popular in both government and donor-supported projects and initiatives. It has been promoted by aid and international agencies as one of the core policies in development and governance reform. There are various mechanisms within which citizens can participate in governance planning and execution. They include indirect forms of engagement by electoral representation through

intermediaries and political parties where citizens can directly take part in the process and activities of governance. These involve membership of local associations and state committees such as school and procurement committees, conducting citizen surveys, attending local government meetings, and monitoring of budget execution and project implementation. The opportunities and mechanisms for participation are growing beyond voting and political rights, but John Gaventa is cautious about the effectiveness of these modes of participation in generating pressure for better performance and accountability from the state (Gaventa, 2004b).

For example, the main barrier to effective participation in many countries is finding appropriate ways for citizens to feel secure about providing inputs and making demands (Heller et al., 2007:636). In many instances, citizens are mobilised to participate in political ceremonies, political ideology propaganda meetings and public works activities but are barred from asking questions and providing or seeking information. Most participation mechanisms are set up as a way to disseminate government ideology and tend to serve the better off and elites more than the poor and other marginalised groups (Mansuri and Rao, 2013:5). Furthermore, various kinds of participatory mechanisms are implemented as ways for the state to control information flows rather than enabling people to make demands and exercise their political rights (Rodan and Jayasuriya, 2007). In policy initiatives and contexts where citizen participation has produced positive results, such as in better coverage and access to basic service provisions like health and education, it is because such improvements also serve the local elites when compared to initiatives mainly targeted to the poor (Blair, 2000). Similarly, the widely-cited success of citizen participation in Latin America has largely been attributed to the growing capacity and diversity of social organisations and movements gaining new source of authority to counterbalance the traditional power of state actors in the context of greater local democratisation (Campbell, 2003).

This growing literature suggests that participation involves a politically contested process influenced by different competing social forces. Specifically, the literature points out two critical conditions essential for effective citizen participation: a rough equality of power between participants in the participatory process, and an effective countervailing power through which such mechanisms allow citizens to impose costs on public officials (Fung and Wright, 2003 quoted in Gaventa 2004:34). Here, Fung and Wright emphasise not the

right of the people to participate and have a say in how governance is executed as advocated by donors and international institutions but the power relations between state and society.

The nature of relations between state and society is also critical in understanding the effectiveness of accountability mechanisms. Whereas participation requires that citizens are consulted in policy and decision making processes, accountability entails giving citizens the powers of enforcement and sanction. Accountability is a process of being called to account for one's actions (Mulgan, 2000). Via this process accountability has two aspects: answerability and enforceability (Schedler, 1999). Answerability is the essential first part which requires the accountor to provide information and justification. It is 'the ability to ensure that officials in government are answerable for their actions, by either asking officials to inform about or to explain their decisions' (Schedler, 1999:14). It implies the right to receive information and the corresponding obligation to provide it. Accountability establishes mechanisms that engage government officials and society in public dialogues and debates. Through this process the powerful can be subjected to legal constraint but also to the logic of public reasoning (ibid, 15).

Enforcement is the second part in which the account-holder evaluates the information and imposes a sanction or provides an incentive in return. This second aspect implies 'the idea that accounting actors do not just call into question but also eventually punish improper behaviour, and accordingly that accountable persons not only tell what they have done and why, but bear the consequence for it, including eventual negative sanctions' (Schedler 1999: 15).

There is some debate in the literature whether answerability could be a form of accountability even when there are no direct sanctions (Bovens, 2007, Peruzotti and Smulovitz, 2006). Answerability could be seen as a 'soft' form of accountability. The fact that public officials' wrongdoings are exposed and shared publicly creates reputational costs and attracts attention to problems on the public agenda. Other scholars disagree and liken accountability without enforcement and sanction to transparency and voice. Transparency involves instituting access to and rights over information, whereas voice offers mechanisms for people to individually or collectively express their beliefs and

articulate their preference and demands (Goetz and Jenkins, 2005:29). Voices[2] of the poor and vulnerable groups may be elicited through specific consultative exercises, but there is no guarantee that their voices be acted upon. Essentially for accountability to work, it needs to go beyond 'expressing demands' or 'rights to information' to render public officials accountable for their actions.

In this context, Mulgan (2003) emphasises three characteristics of accountability relations – externality, social interaction and right of authority that are distinct from participation, transparency or voice. The first of these three characteristics is externality, whereby an account is given to some other body outside the one being held accountable. Secondly, a relationship of social interaction and exchange is established through which information, justification and rectification is provided. Thirdly, the right of authority involves those calling for an account to assert rights of superior authority over those who are accountable, and they can demand an answer and impose a sanction. For example, if a district executive is accountable to the district council, it means that the district council has *authority* over the activities of the governor; that councillors therefore have the *right to review and evaluate* the activities of the governor, including not only the right to participate and ask for information but the establishment of organised forums in which this information will be discussed and evaluated; and the *right to impose sanctions* if the evaluation is negative.

2.2.2 *Understanding participation and accountability in decentralisation*

In decentralisation, participation is a central process and method toward achieving local ownership, improved service delivery and strengthened demand for good governance. It includes a range of mechanisms to give ordinary citizens, especially the poor and marginalised groups, the opportunity to have a say in decisions and policies made by public decision-makers (Mansuri and Rao, 2013). Decentralised governance may involve two forms of participation. Firstly, besides taking parts in elections and political parties, people may be given expanded opportunities for participation at local levels including public forums such as participatory planning and budgeting, participation in council meetings, formal complaints and grievances mechanisms, and taking part in the processes

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[2] The widely used term 'voice' is drawn from Albert O. Hirschman's *Exit, Voice and Loyalty: a Response to Decline in Firms, Organisations and States*. Hirschman identifies voice as one among the three strategies through which people seek to exert influence. Exit involves finding an alternative to the existing organisation. Loyalty involves improving one's prospects through attachment to the centre of power.

of bidding and project implementation.[3] Through decentralisation these participatory mechanisms could provide incentives for enhanced participation from broad-based civil society in local governance as local governments are close to home and their decisions are directly relevant to people's livelihood. Decentralisation advocates argue there is a causal link between participation of civil society and citizens and successful decentralisation in local governance in order to ensure that local governments are responsive and accountable to local needs (Blair, 2000, Devas and Delay, 2006).

Secondly, participation takes place through standing for office and serving in local councils. Decentralisation creates an opportunity for citizens to directly engage in local politics via elected local councils. It is observed that through this mechanism, diverse groups of citizens representing different sections of society have direct influence on local politics and represent interests of local constituencies. Because councils are locally elected and are close to their constituencies, they will have better knowledge of local needs, and hence when given power and resources, are more likely to respond to local preferences and be more directly accountable for their actions (Grindle, 2007:2).

Empirical evidence so far shows that while participation, for instance in selecting representatives and in the development planning and budgeting process, often increases when decentralisation programmes are implemented, it is less clear that increased participation translates into better and more accountable local governments and local governance performance. Studies acknowledge that representatives from diverse backgrounds such as from women, different ethnic groups, and the private sector have opportunities to enter local councils (Manor, 2008). However, their contributions and the kinds of issues they can influence are limited. Blair has collected studies of participation and accountability in six countries and found that even in places where there were high numbers of representatives of women and minority groups in local politics, they were unable to significantly affect local decisions in the interests of their constituencies (Blair, 2000). He suggests that participation of organised groups and local elites in local politics could also be a site for political co-optation, especially when other forms of political participation and organisations around rights and freedom of speech are tightened.

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[3] Some writers use 'voice' in discussing political participation.

Another possible reason is that participation takes place in either 'closed space' or 'invited space' rather than in 'claimed space'. In 'closed space,' participation is limited to certain actors with decisions being made behind closed doors. Many forms of participation created by decentralisation take place in 'invited space' which is managed by the authorities to involve participation to some concerned actors, as opposed to 'claimed space' where participation is demanded and created by citizen initiatives.[4] Consequently, participation in 'invited space' is common whereas in 'claimed space' is rare because the former requires rather passive roles of participants whereas the latter requires high levels of motivation, initiative, mobilisation and persistence to yield any kinds of results. Existing evidence has shown that participation in 'invited space' often results in citizens being consulted about the way decisions are implemented and informed about what decisions have been made rather than the opportunity to influence the decision-making process (Moss, 2001). This evidence is even more pronounced in contexts where citizens find it difficult to make assertive demands on public officials and where cordial relationships with local authorities are prioritised in access to government services and development benefits.

There is ample evidence to show that enhanced popular participation or better representation in local governance are important but not sufficient to realise decentralisation's intended outcomes by its advocates (Agrawal and Ribot, 1999, Blair, 2000, Manor, 2008, Manor, 2011). Research has shown that successful democratic decentralisation depends on strong and effective accountability relations because accountability connects increased participation to improved government performance (Manor, 2008). Consequently, successful decentralisation requires functioning accountability relations between the elected councils and the people, and between elected councils and appointed officials.

Accountability between appointed officials and elected bodies in a decentralised system is called horizontal accountability. In decentralisation, these relations are important because elected councils depend on their executives to carry out their decisions. Experience from other countries shows that accountability relations between elected and appointed officials

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[4] See John Gaventa (2004) for further discussion of the differences between spaces and places of participation.

work well when the elected councils have authority over appointment of officials or can institute sanctioning mechanisms (Agrawal and Ribot, 1999, Blair, 2000, Crook and Manor, 1998a, Crook, 2003, Yilmaz, 2008). Failure to have either or both of these mechanisms is likely to result in elected councils becoming the rubber stamp of the executive body. It is even more challenging in some countries where local councils consist of individuals who may only possess minimal education and do not necessarily have skills in planning and budgeting. The appointed executive officers, on the contrary, generally have more administrative experience, are trained and skilled in planning, budgeting, reporting, auditing and communication, and are more educated. This present some challenges for the elected councils to exert their democratic authority. However, accountability between elected and appointed officials could be strengthened by establishing strong mechanisms for reporting information from the latter to the former and by mandating remedial actions or sanctions for poor performance in the hands of the elected councillors.

The other accountability relations between elected representatives and their constituents are classed as vertical accountability which means the ability of the people, via the media, free and fair elections and other public forums to scrutinize and criticise their representatives and to present them with political demands. It is the process by which the representatives are held answerable to the people, and requires both the willingness and ability of the elected representatives and the people to engage with one another, and the acceptance on the part of the councils of the people's right to exert authority over them. Election is an important element of vertical accountability, although research suggests that the effectiveness of this mechanism has been variable and highly influenced by context. For instance, Bland's study of local government elections in fifteen countries across three continents argued that decentralisation opens up meaningful political participation only when local electoral democracy exists, not just local elections. Local electoral democracy requires several qualifications: elected local officials, free and fair local elections, direct elections of local officials, no arbitrary removal of local officials by party or state, and autonomy of local official associations (Bland, 2010). In contexts where these criteria are lacking, an election becomes a tool to secure the dominance of one party and not yield much in the way of representation and accountability to the public (Schedler, 2006).

In summary, the literature on participation and accountability in decentralisation reveals that although both concepts are integral to effective decentralisation programmes, their transformative potentials for governance and democracy are seldom realised and are contingent on the nature of power relations between state and society. Significantly, in contexts where the system of governance is not based on liberal ideals of participation, accountability and democracy, more opportunities and institutions for participation and accountability created by decentralisation can strengthen the political status quo and maintain the existing power hierarchy rather than weakening it.

2.3   Approaches to Studying Decentralisation

As I mentioned at the beginning of this chapter, many of the differences between analysts of decentralisation and their approach to the concepts of participation, accountability and so on are explained by the fact that they focus on very different things about which they make different assumptions. Two approaches dominate the study of decentralisation. The institutionalist approach foregrounds issues of institutional design as determining what kinds of outcomes emerge in sub-national governance. A political economy approach, by contrast, examines the ways in which elites or powerful social groups mobilise to ensure that particular types of institutional design are likely to emerge and therefore pre-empt the reform process or move it in a direction that serves their interests. Each of these approaches is examined below, prior to articulating the approach adopted for this study of decentralisation in Cambodia.

2.3.1 Institutionalist approach

Institutionalism is a theoretical approach in political science which emphasises 'the role that institutions play in the determination of social and political outcomes' (Hall and Taylor, 1996:936). Institutions can include formal and informal, values and norms. In development discourse, the institutionalist approach basically refers to 'getting institutional dimensions right: policy, legal framework, governance, market mechanisms and participatory democracy' (Craig and Porter, 2006:14). Similarly, advocates of decentralisation within this school of thought claim that successful decentralisation is mainly a matter of getting the institutions right through the appropriate design and phasing in of policy, a legal framework, capacity and resources (Litvack et al., 1998).

According to this approach, the quality of governance in developing countries is negatively affected by the lack or inappropriate design of policies and legal frameworks, weak capacity and motivation to do the job, non-transparent resource management, and corruption and inefficiency. Thus, institutionalists argue that a particular institutional design is needed to create incentives that motivate and regulate behaviours of individuals and organisations in order to deliver better governance. Therefore, advice is given to developing countries to turn around this situation through changes of legal framework, improving individual and organisational capacity, providing incentives and resources for performance and so forth.

Most studies on decentralisation employ this approach. For instance, Nick Devas and Simon Delay in their review of international decentralisation experiences identify important factors in the design of successful decentralisation programmes. These factors include the size and level of decentralised units, structure of accountability systems, mechanisms for citizen engagement, local government financing, details about central-local relations, and potential of institutional changes to reduce poverty and corruption (Devas and Delay, 2006). Others such as Agrawal and Ribot contend that successful decentralisation requires the right combination of power-actor-accountability. Local leaders need to be democratically elected, given sufficient power and resources to act autonomously, and made accountable to their constituents (Agrawal and Ribot, 1999). Smoke makes a similar argument that for decentralisation to work well it must be accompanied by political, administrative and fiscal decentralisation and that adequate autonomy and discretion over these three aspects must be granted to elected councils (Smoke, 1993). A flagship study of decentralisation in East Asia by the World Bank 2005 asserted that while decentralisation programmes in China, Vietnam, Indonesia, Thailand, the Philippines and Cambodia are here to stay, they face three common challenges in moving this programme forward. These are: developing sound inter-governmental systems, improving fiscal and financial structures, and strengthening performance and accountability systems at sub-national levels (White and Smoke, 2005).

These writers see decentralisation as mainly a bureaucratic and technical task in that success is primarily a matter of formulating a plan and developing processes and structures necessary to deliver the desired outcomes. They make a big assumption that improved service delivery or better accountability are outcomes commonly desired by social forces

in a nation and hence there is no need to engage political actors in the process of designing the plan. So if decentralisation is deemed not to be working, fingers are pointed at problems with inappropriate institutions in place such as lack of financial resources and autonomy over such resources, funds not following functions, implementation ineffectiveness, lack of appropriate legal frameworks and so on. The focus of this approach is how to 'get the decentralisation right' – which are functions, finances, and accountability relations.

The institutionalist approach has come under considerable criticism (Leftwich, 2008, Unsworth, 2009, Warrener, 2004). As a result, there have been shifts by both donors and international institutions to incorporate many more contextual factors in their approach to the study of decentralisation, which means acknowledging the validity of at least some aspects of what has been referred to as the political economy approach.

2.3.2 *Political economy approach*
There has been growing interest from academic researchers, donors and international financial institutions in a political economy approach to the study of decentralisation. Here I will discuss how this approach has been applied and has contributed to research. The first group of studies, while claiming to have employed a political economy approach, can at best be regarded as an attempt to embrace an increasingly overt political approach to decentralisation. A true political economy approach, represented by the second group of studies reviewed, requires a thorough analysis of the nature of a regime's politics, economy and power structure that underpin how power and resources are distributed. Below, I will review major studies from each of these groups before discussing the approach adopted for this thesis.

A comprehensive comparative study that fell into the first group, taking an overtly political approach to decentralisation was *Democracy and Decentralisation in South Asia and West Africa: Participation, Accountability and Performance* by Richard C. Crook and James Manor (1998b). Crook and Manor set out to find the relationship between democratic decentralisation and enhanced participation and accountability of decentralised institutions in four countries: India (the state of Karnataka), Bangladesh, Côte d'Ivoire, and Ghana. Theirs is a very informative book discussing a broad range of issues related to

decentralisation, including participation, accountability, responsiveness and performance of local governments. They found only one case – Karnataka – where decentralisation prompted an increase in political participation, accountability and performance of local governments. In Bangladesh decentralised governments enjoyed generous resources from central government but insignificant powers because the military government of H.M Ershad was only interested in strengthening its local network of clients for the regime. In both Ghana and Côte d'Ivoire, local governments were poorly resourced and not given substantial power, elected bodies did not have control over the administration and popular accountability was not developed by party elite domination. This was explained by reference to a general 'cultural expectation' that important positions in local government should be occupied by elite groups in order for such institutions to be resourceful and influential (Crook and Manor, 1998a:280).

The authors argued that decentralisation works well (namely resulting in increased participation, accountability and performance of local governments) in Karnataka. This was because not only did it put in place a good and functioning structure of decentralisation with adequate resources and capacity and appropriate mechanisms of participation and accountability, but also decentralisation there was supported by a vibrant public 'culture of accountability' where citizens were ready to complain about the bad behaviour of politicians or civil servants and to demand accountability (Crook and Manor, 1998a:303). In the other three cases, Crook and Manor reported there was not much difference in the accountability and performance of local governments before and after decentralisation programmes were introduced. One reason they suggest is the lack of 'political and social contexts' that enable reforms to work. This is one of the arguments that has been picked up in decentralisation literature. For example, Pranab Bardhan and Dilip Mookherjee argued that an effective decentralisation programme depends on two interrelated factors: the context and the design of the programme. They specifically point to 'the functioning of local democracy and the way decentralisation is designed and implemented' (2006b:9). The functioning of local democracy could include the civic culture of the population, the role of educated and politically aware citizens, freedom of expression, rule of law and order, an active oversight body and so forth. However, they suggest that prior experience of the community to participate and make political demands, and existence of civil society organisations are more important than other factors.

For Crook and Manor, institutional arrangements and supporting political and social conditions must be in place for decentralisation to deliver on its promises. Yet they noted that it is hard to have all of these factors in both their case studies and other developing countries. They were also cautious about concluding that democratic decentralisation could be the answer to 'problems' faced in developing countries, since even in India the decentralisation programme had only produced limited success in serving and responding to the needs of the poor.

However, Merilee Grindle's insightful book G*oing local: the promises of good governance* found more optimistic prospects for decentralisation in her study of 30 towns in Mexico (2007). Grindle found four variables in explaining variant outcomes in the municipalities. She argued that outcomes depended on local leaders' innovative activities, improvement in capacity and organisational development of local governments, active citizen's political participation, and competitive local elections (Grindle, 2007). These four variables are interrelated in that innovative local leaders and improvement in organisational capacity emerge only as a result of competitive elections and political participation by active citizens. But the two most important conditions Grindle suggests are space for greater local competition for office as new local political parties started to take advantage of the opportunities created by decentralisation, and new opportunity and authority given by central to local government leaders to make decisions and use their power and resources as they see fit quite independently from higher level governments. She notes that all of these factors were enabled by the democratisation process triggered by a debt crisis throughout Latin America which gave rise to increasing competitiveness of local and national elections and civil activism in Mexico. This is something that other writers have also observed. For instance, Sabatini's study of political parties in decentralisation in Latin America noted that decentralisation was cited as a success in the region because there is direct election of councils and mayors who can exercise autonomy over their increased resources and power given from national level and make decisions that are of great importance to their constituencies without fearing for their positions being jeopardised by not following central government and national party interests (Sabatini, 2003).

The importance difference between decentralisation experiences in Mexico and the four cases reviewed by Crook and Manor is that in Mexico by the late 1990s, power relations

between national and local leaders had undergone significant changes where municipalities receive substantial share of revenues, bargaining power and autonomy. Local elections for governors and mayors have become more competitive and fairer as the political contestation at the national level increases in which the opposition parties were gaining more control in both national and local elections while the ruling party is slowly sidelined. Municipalities gained significant bargaining power vis-a-vis the centre from their local legitimacy and from having strong local associations of mayors and governors. They also receive increased expenditure autonomy over key service provisions in which policy-making authority and appropriate resources are transferred to them to deliver the services. In short, Mexican municipal governments have all the three things (power, resources and accountability) that in other local governments in countries reviewed above are lacking.

Up to now the literature discussed has shown that not only do we need to put in place effective institutions, but more importantly, that successful decentralisation requires the support of domestic political forces, conducive cultural expectations and democratic practices to enable decentralised institutions and ideas to work. But these studies make only a limited attempt to consider political economy in their analysis. A broader political and economic approach has been growing. For instance, a recent paper by James Manor entitled *Perspectives on Decentralisation* has pointed towards a greater need to understand the political economy context (Manor, 2011:2). He states that 'nothing is more fundamental to the working of decentralisation systems than politics' (Manor, 2011:4, Manor, 1999). This view is also reflected in a new wave of interest in a 'political economy' approach to analysing decentralisation by international financial institutions and donors.

One such work is the World Bank's *The Political Economy of Decentralisation Reforms* in 2010 which begins by stating that:

> No matter what the official justification, decentralisation is largely driven and continually shaped by politics. Politicians and public officials tend to cite lofty, normatively inspired, internationally advocated goals when they decide to decentralise, including the promotion of democracy, development and public security, and the more efficient and equitable delivery of governmental services. However, other more immediate and more narrowly political factors are often

more centrally behind the decision to decentralise and the process of bringing decentralisation to life. In fact it is hard to imagine a more intensely political process than decentralisation (Eaton et al., 2010:1).

The report recognises that the main reason for disappointing performance of decentralisation in many developing countries is due to lack of donor understanding of the political dynamics in the country concerned. Through comprehensive reviews of empirical literature, including those on Cambodia, the report then argues that political economy analysis of decentralisation assists donors in 'identifying the political and institutional incentives that drive reform or to evaluating how these reform drivers may shift over time' (2010:xiv). Here, the World Bank attempts to show how politics could be incorporated into donors' policies and operation. Their approach (as I will illustrate below) is exclusively interested to identify individual actors and groups and their incentives or perverse incentives to determine how donors' support could be mobilised around decentralisation agenda. This kind of political economy approach taken by donors and international organisations tends to equate politics – the long and complicated process of conflicts over power and resources – with the predatory behaviour of vested interests. The response according to this approach is to advise donors to support decentralisation and other institutional reforms that are designed to bypass the deep conflicts over power that shape the way institutions are forged, or to impose certain incentives and rules to change behaviours of individuals.

As such, the report pays attentions to four elements in its analysis. The first element is to understand the initial context and motivation in which decentralisation is initiated. However, the report's interest in the 'country context' seems to be limited to identifying actors and their motives in engaging with donors.

The second element, which is treated in more detail, discusses different key actors and their incentives for supporting or opposing the decentralisation programme in order to help donors to identify reform partners. Here the report identifies and discusses the different common or contradictory incentives of political and bureaucratic actors. It believes that the better donors can understand actors' incentives for decentralisation, the more success they will have in intervening and promoting reformers. The report conceptualises the political economy of decentralisation as driven by political and bureaucratic actors and

their incentives. However, I shall argue that such analysis is incomplete because it does not contextualise incentive structures and actors relations within broader power relations.

The report proposes that the third element is to look into reform dynamics over time as political and economic incentives are changing, and as evidence about outcome and consequences of the reform becomes available that is likely to shape the path of the reform programme. This is an important point for my thesis. I will examine not only the political and economic conditions that have been changing since decentralisation began in Cambodia in 2002, but also the power bases of the ruling party and its key relations of the regime in explaining the response to decentralisation at district and provincial level.

Finally, the report identifies the roles and incentives of donors who support decentralisation as playing influential if not key roles in steering the decentralisation agenda of the government. This account differs from previous donor studies on decentralisation in that it recognises decentralisation or governance reform in general as a political process that is much less determined by institutions supported by donors or pressure from outside than by incentive structures in the respective country. It provides valuable insights into the various experiences of decentralisation around the world. It also significantly enhances our appreciation of the broader social and political factors in explaining decentralisation programmes.

Nonetheless, the political economy approach offered in this World Bank report resembles the rational choice approach prevalent in American political theory. Throughout, the report is concerned mainly with actors and their incentives and behaviours. It is not interested in capturing the essence of political-economy associated with social forces and political conflicts in the real world. Hence, the framework does not offer a rich and truly political analysis of governance reform. In particular, there is no discussion or reference to the nature of a regime's politics or economy and power structure that underpin contestation for control over power and resources. Without understanding the regime's bases of power and the relationship among key powerful elites (such as state, business and military) and even domestic and international relationships, it is too superficial to gauge the extent to which decentralisation could transform the power structure of the regime.

The framework of the World Bank report is also only interested in finding out whether political and bureaucratic incentives for decentralisation of the host government are compatible with the good governance agenda advocated by the donors. In essence, it advocates that by finding out what the political incentives are for decentralisation policy, donors can best position their support and funding in trying to manipulate and intervene in the design and implementation of the reform programme to achieve their desired goals. Even when the political incentive structure does not fit with donors' agenda, the report recommends that donors should continue to support and pursue decentralisation, 'particularly in situations where external support may be able to help stimulate experimentation and dialog and perhaps promote better outcomes eventually' (Eaton et al., 2010:61). Here the report assumes that donor incentives may be able to change the political incentives within recipient countries. It also assumes that the reasons why political actors resist decentralisation programmes are mainly due to their misunderstanding and lack of engagement in the decentralisation process. Thus, this report and other studies of this kind[5], reflect, as Hughes and Hutchison argue, the common belief of by aid donors that they can act as mediators or facilitators to make 'links between interested groups to create critical mass of reformers who can press for change' (Hughes and Hutchison, 2012:20-21). Hughes and Hutchison have also shown that donor incentives and this process of enlightenment have not been effective to change behaviours of political actors and the recipient countries' political incentives structure. Rather, as I will also argue in this thesis, donor-promoted governance reforms can be effectively co-opted by local powerful elites and only implement the donor reforms as long as they help keep them in control over power and resources in the countries. In this context, the good governance approach promoted by donors failed to replace the pre-existing system of power; instead it strengthens the political authority of existing elites.

Moreover, the World Bank report uses actor analysis referring mainly to individuals or organisations but it does not pay attention to the status and relationship of these individuals or institutions within the broader power structure. It is superficial to say, as this report does, that the Cambodian Ministry of Interior and several of its senior officials

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[5] James Manor (2008:3) explains line ministries' resistance to transferring power and resources to local governments as due to their lack of understanding of the potential gains from decentralisation and their view of decentralisation as a zero-sum game. But he insists that this attitude would change when line ministries realize that they could gain benefits as decentralisation process starts to produce improve service delivery provisions.

are natural champions of decentralisation because they commit to it while other officials have vested interests in undermining it. Without an understanding of the broader framework one cannot discuss and analyse commitment to decentralisation, its goals and who are genuine reformers.

Thus, the approaches discussed above are different from the approach that this thesis will employ which is that of structural political economy.

2.3.3 Structural political economy approach

Structural political economy takes as its starting point the assumption that new institutions and policies are shaped within larger conflicts over power and resources. As this thesis will show, it is necessary to understand that individuals or groups resist or ignore decentralisation not on the basis of lack of knowledge or information or opportunity for political activities but because they are embedded in existing economic and political relationships within the broader system of power. In essence this means that these individuals or groups are often unable to perform within the rules of the decentralised institutions, such as refraining from corruption or patronage relations, because they lack sufficient power to do so. In other words, we need to understand the complex relationships of power in order to explain how a decentralisation programme is designed and implemented. Specifically, we need to analyse the actors who are promoting or opposing decentralisation and their relationship to the larger political and economic interests in an attempt to examine whether decentralisation could challenge existing power relations by redistributing power, or at least widen the access to power beyond the existing elite.

Here too, it is important to recognise that existing systems of governance are generally highly efficient and rational from the perspective of the most powerful elites in society. Some individual actors and groups within the system may be committed to reform but they are also tied to the existing systems and have to balance the benefits under existing arrangements as opposed to doing or initiating something new without having secured approval from their superiors. This is one of the reasons why trying to change the existing power structure by decentralisation or institutional rearrangements is difficult and complex.

On this point, the theoretical approach of this thesis is similar to a growing body of literature examining democratic decentralisation in Africa and Southeast Asia. Using a structural political economy approach these studies (Arghiros, 2001, Boone, 2003, Gainsborough, 2010, Green, 2010, Hadiz, 2010) reveal how decentralisation programmes in these countries have been employed to build regime reach and maintain systems of power for the most powerful forces in society.

This literature also shows that the purpose of institutional reforms such as decentralisation, from the perspective of governments, is to better manage political conflict. First, decentralisation is implemented to deal with internal major conflicts arising from conflicts between elites groups, between regions, between sectors of economy, and between different ethnic groups. Take, for example Catherine Boone's article entitled 'Decentralisation as political strategy in West Africa' (2003). Through her convincing analysis of power structures and rural economy in Ghana, Senegal and Cote d'Ivoire, she explained why there are great variations in decentralisation institutions being developed in each country and regions, and their outcomes. She argued that decentralisation programmes are shaped more by ongoing struggles between powerful rural interests and the ruling elites than by colonial legacy or institutional development problems.

Boone found that the regime in Senegal had devolved substantive power and resources to powerful local elites because they had both the spiritual and economic wealth of the local communities that were important for the Darka regime. That regime was willing to give those actors substantial power and autonomy because they were loyal and derived their wealth from that of the centre. Sharing power with local elites in this case enabled the regime to maintain its political alliances and support for its electoral victories. Unlike Senegal, the Cote d'Ivoire's decentralised governments had few resources and little authority transferred to them and had no relationship with their local constituencies. Instead, newly created local councils and administrations functioned as an arm of the central government's Ministry of Interior. Boone argued that this choice was made possible because 'no political elites grounded in local politics and in well-structured local constituencies have ever emerged'. Here, the governance system was highly centralised where national level elites had significant influence and control over local level politics.

A different decentralisation strategy was implemented in Ghana where the regime purposely created district governments by engaging new groups of ordinary citizens from teachers and farmers in party politics and local affairs as a means to weaken the well-established rural elites in Ghana's cocoa- growing regions and its urban rivals. These rural economic elites had long disputed control of the state and fiercely protested against the regime for unfairly extracting their regions' wealth for state funding and expenditure in other part of the country. The regime's local governments are only given minimal resources and authority and are highly politicised and tightly controlled by the centre.

Second, decentralisation is used to deal with conflicts emerging out of sudden crises. This helps to explain the rapid and substantial introduction of decentralisation programmes in Indonesia (White and Smoke 2005:6). The initiative was quickly conceived after the fall of the New Order regime in 1998 and decentralisation laws were adopted in 1999. During this period of economic crisis and political uncertainty, a rather ambitious and radical decentralisation programme was put in place, marking a radical departure from the previous highly centralised and authoritarian regime (Hadiz, 2010). The volatile political context allowed long-standing demands for regional autonomy and control to gain strength in the political battle between elites at national and regional levels. Hofman and Kaiser argued that the regime that took over after Suharto had no choice but to implement a decentralisation policy that allowed great regional autonomy in order to stabilise the regime and restore domestic and international confidence, to control the tensions presented by regional demands for independence, and to gain support from disgruntled resource-rich regions (Hofman and Kaiser, 2006:83). As such, decentralisation in Indonesia has conceded greater power to various sets of local powerful elites that are not necessarily related to the ruling party or dominant national elites. Yet many aspects of the decentralisation agenda are still undergoing negotiation and modification processes as the power struggle between powerful national and regional elites continues. As these elite relationships become relatively settled, observers note that the centre has shown less enthusiasm for decentralisation and note signs that the centre and national elites are actively trying to recentralise power (Hadiz, 2010, Hofman and Kaiser, 2006, White and Smoke, 2005, Blunt et al., 2012).

Third, the case study from Vietnam demonstrates that decentralisation was implemented to address potentially threatening conflicts arising from changes in national policy for

economic development. Changes in modes of integration with regional and international economies have produced different interests and conflicts between provinces and from one province to another and have resulted in the one-party state's incremental approach to administrative and fiscal decentralisation. The Vietnamese decentralisation was initiated in 1991 as part of a larger political and economic restructuring programme. Administrative and fiscal decentralisation was initiated as a result of the shift from a centrally-planned economy to a market economy in which the central government faced economic crisis and was unable to manage its sub-national governments. Nguyen Khac Hung showed that at the end of the planned economy and during the transition to a market economy, the central state lost control over the production and economic activities of the sub-national governments (2009). Sub-national governments were allowed to implement 'self-administration' in which they could adopt decisions and develop rules regarding resource management and mobilisation without prior approval from the centre (Hung, 2009:230). As a result, and especially in resources-rich areas, sub-national governments 'imported and exported freely, with revenue going to the local budget' (Hung, 2009:232). However, poor regions suffered from this policy as financial transfers from the centre declined (Gainsborough, 2010). Through formalisation of roles and functions across levels of government, the decentralisation programme provides the vertical links necessary for the centre to monitor and control the lower levels. The other important issue that decentralisation aimed to address was in regard to the relationship between the state and the Vietnam Communist Party at both central and local levels as the party's local branches had difficulty maintaining and recruiting new members. Trang went on to show that 'for some members, holding party membership did not bring any benefits, as agricultural land was already distributed' (Trang, 2004:151). By strengthening roles and responsibilities of sub-national government bodies (namely the People's Councils and People's Committees), whose membership also overlaps with the party, officials renew interests and reinforce the power of the party. It gives the party the authority to issues guidelines for the Committees and for appointment process of the Council members. Thus while the stated aim of public administrative reform was to separate the state and the party, the reform has instead intensified the roles and influence of the party over the affairs of the state.

Decentralisation in Vietnam is described as a process of experimentation in which provinces and districts are allowed to manage their own affairs as they see fit in coping with the processes of economic and political change (Fritzen, 2006, Painter, 2008). Martin

Gainsborough shows that on the one hand local governments are 'given more authorities […] included greater control over local expenditure […] infrastructure, and increased freedom to approve foreign investment projects' (Gainsborough, 2010:55-56). Yet he also shows that the power of the state and the Communist party has been bolstered by this reform in at least five areas: expansion of state bureaucracy; growing dependence of local officials upon the party; lack of local government control over appointments; local institutions with central mandate; and periodic clampdowns by the centre.

In the other context, decentralisation is used to manage the slow process of change arising from emerging middle class, and as the example from Thailand shows, the rise of provincial business. Decentralisation in Thailand was pushed by new local business elites emerging independently from state patronage as a result of decade's long double-digit economic growth during the 1980s. They found their ally with national bureaucratic and business elites which wanted more say in politics and less control by the powerful military. The decentralisation programme gathered momentum in Thai society after the brutal repression of pro-democracy demonstrations largely staged by the emerging middle class against the military-backed regime in May 1992.

The creation of real local government bodies at sub-district level followed the adoption of the Tampon Act of 1992 which was introduced during Chuan Leekpai's administration. Civil society and urban professionals lobbied for decentralisation as they saw local government as offering greater opportunities for them to participate in government decision-and policy-making as well as to weaken the monopoly power of the central government and the traditional elites. Two subsequent events – the Asian financial crisis in 1997 and the 2006 military coup - toppled Taksin Sinawatra and opened up other opportunities to progress decentralisation on policy terms, albeit with limited success in reality. A new Constitution was adopted in 1997, promising greater commitment to decentralisation and made way for the Decentralisation Act in 1999 which moved management of the decentralisation programme from Ministry of Interior to a National Decentralisation Committee. However, much of what was in the law and strategy was not realised and reversals were seen when Thaksin Sinawatra controlled the government with his Thai Rak Thai party in 2001. Thaksin introduced corporate-style Chief Executive Officer Governors who have a direct line of accountability straight to the cabinet to implement national government policy and priorities, and have authority over the local

governments. Also, after the coup in 2006, the decentralisation programme progressed slowly as the power struggle continued between the military-appointed government backed by Bangkok's elites and regional business elites and local leaders.

The point to be taken from these case studies is that while decentralisation may often appear in policy terms to be intended to reorder the power bases in society, it has been much less successful in doing so. Instead, decentralisation is implemented by governments whose main goal is to better control political conflicts arising from development or crises. In the cases where the demand and pressure for decentralisation come from within, power and resources devolved to sub-national governments tend to be more substantial. By contrast, decentralisation programmes tend to be shallow when they are primarily a response to external pressure rather than to assertive pressures from within. In this context, decentralisation is contingent and reversible if the national elites perceive no advantage for their power in continuing to implement the reforms. These cases strongly suggest that outcomes of governance reforms are dependent upon the relative strength of different contending groups whose strengths and relations change over time and hence affect the forms and substance of decentralisation programme. It is also evident that the context within which decentralisation is implemented influences reform outcomes. These two factors – the particular context of reform and the political aims for reform as articulated by elites – are important in explaining the forms and the potential outcomes of decentralisation reform programme implemented in these case studies as well as in Cambodia as I shall show in subsequent chapters.

Overall, the logic of the preceding discussion suggests that structural political economy is more useful than the institutionalist approach in analysing the emerging agenda of governance reform and in explaining how that agenda evolves over time. Thus, the political economy approach provides important insights into the politics of decentralisation.

2.4   Conclusion

This chapter has described the main theoretical contributions in the literature on decentralisation that is pertinent to this thesis. The themes and problems identified in this chapter will be examined in the following chapters devoted to the Cambodian case. It is clear from this review that the conceptualisation of decentralisation, promoted in the

literature as offering solutions to the governance problems facing developing countries around the world, has often been reduced to 'getting the institutions right'. We have seen that the institutionalist approach asserts that corrupt, inefficient, unresponsive and unaccountable local governance in developing countries can be explained in terms of faulty institutional designs where flaws in sequencing, timing and other technical and policy aspects are particularly emphasised. Emerging literature has criticised this approach and is paying more attention to the broader features of political and economic contexts in studying decentralisation. Yet a great deal of this literature, namely from donors and international institutions that have become more sympathetic to a political economy approach, remains reluctant to go beyond an 'actors and incentives' framework to genuinely consider political factors. A political economy approach studies the ways in which elites or powerful social groups mobilise to ensure that particular types of institutional design are likely to emerge and therefore pre-empt the reform process or move it in a direction that serves their interests.

This chapter has also shown from experiences in Southeast Asia, Africa and elsewhere that democratic decentralisation has not necessarily empowered local people with a greater say in government decision-making or provided representations for political demands by ordinary people. Where donors support decentralisation as a means of promoting good governance, recipient governments often implement decentralisation in ways that manipulate or neutralise reform to achieve different goals. This is one of the main arguments put forward in this thesis, and I will try to explain how in the case of Cambodia, decentralisation is being designed and implemented in such a way that significant shift of political and economic power from national level elites to local leaders closer to the people has never likely to occur. But before we do that the next chapter will examine the political economy of the Cambodian context, providing the background necessary to understanding how governance reforms are embedded.

Chapter 3   The Political Context of Decentralisation in Cambodia

As I have argued in Chapter 2, decentralising resources, responsibility and authority is not simply a matter of having the political will required to put in place the right institutions, policy and capacity. Rather, the forms and potential outcomes of decentralisation are shaped by broader political and economic contexts that enable the institutions and the actors to perform or constrain them from doing so. In examining the significance of decentralisation and how and why the reform came about, we need to look closely at the political economy context within which the reform took place, how power is exercised and by whom. We also need to identify key actors and their positions in the broader structure of power and incentives, and we need to examine how the reform programme fits in. The complexity of relations among actors, structures, and particular circumstances and their impact on the forms and potential outcomes of governance reforms means that we have to do a political analysis of the context.

This chapter begins with a discussion about ways to analyse the political context of governance reform. The second section of the chapter uses the framework developed to examine the political economy of state building in Cambodia prior to and after extensive international intervention in 1991. The analysis of the political economy context in Cambodia provided here focuses on the nature of state building in achieving peace, political stability and economic growth over the past thirty years and the relationship between these achievements and the resurgence of the ruling party, the Cambodian People's Party (CPP). It will argue that the CPP's preferred mode of governance – combining predation and neo-patrimonialism – has been critical to the maintenance of peace, stability and growth and to the consolidation of CPP power. At the same time, I will show that, this mode of governance differs sharply from donor prescriptions for good governance.

3.1   Analysing the Political Context of Reform

In understanding the context of decentralisation and governance reforms, donors and international institutions have come up with a wide range of frameworks designed to map

out the political economy context of reforms. These frameworks include the British Department of International Development (DFID)'s 'Driver of Change' which focuses on structure, agents and institutions; the World Bank's 'Stakeholder Analysis' and 'Policy and Institutional Assessment' which focus on governance, institutions, policies, economic management and stakeholder interests and resources; the Swedish Agency for International Development (SIDA)'s 'Power Analysis' which looks at power and its distribution; and the United States Agency for International Development (USAID)'s 'Democracy and Governance Assessment' which emphasises players, interests, resources, objectives, rules and institutions (Warrener, 2004). These frameworks can be grouped into two different schools of thought broadly associated with actors and structure (Hadiz, 2008).

The actor approach to the political analysis of reform contends that political actors have the capacity and choices to shape political processes and outcomes. It suggests that the capacity, preference and choice about how policy agenda is set, how decisions are made and how reforms are implemented, belong to decision makers and leaders, who have room to manoeuvre and effect significant change. This idea is implicit in many studies of political transitions and policy reforms in developing countries that focus on activities and decisions of particular political actors in certain circumstances.

The idea that policy and political outcomes are dependent upon the political agency of individuals or a small number of actors emphasises the ability of these actors to 'alter power relations, set loose new political processes, and lead to different (if often unintended) outcomes' (O'Donnell and Schmitter, 1986:38). This requires political actors to have the power to define and determine their own agendas, and to determine their followers' preferences, choices and activities. For instance, Huntington accounts for Singapore's persistently authoritarian regime by stating that: 'If he had wanted to… a political leader far less skilled than Lee Kuan Yew could have produced democracy in Singapore' (Huntington, 1991:108).

Those who adopt this approach offer explanations of political outcomes that draw attention to the inherent personal traits or abilities of political actors. However, in reality, the strength and abilities of political actors are more likely to come from relationships that draw on power vested in the office they hold, on alliances with powerful figures in society,

or on access to resources such as money, land, or information. In other words, power and empowerment come from access and control over political, economic and social resources. Focusing on these relationships and resources helps to explain why leaders of similar quality and capacity may be effective in one issue and context, but not in another.

This criticism reflects the second approach developed to study the political context for governance reform: it regards changes and political outcomes as shaped by social, cultural, economic, historical and political circumstances and political actors as operating under constraints. Political activities and outcomes, from this perspective, do not depend so much on who the political decision makers are and what they do, as on the circumstances within which they operate and the constraints that the circumstances impose on them. Essentially, according to this approach, policy changes and prospects of governance reforms are viewed as the outcomes of 'conflict between coalitions of social interests, within a broader structural context that simultaneously offers possibilities and imposes constraints' (Hadiz 2008:528).

In this context, the nature of social forces and the alliances and conflicts between them are influenced by and dependent on the nature of external constraints. For example, Rodan and Jayasuriya's account of the changing forms of authoritarianism in Asia suggests that the historical and geopolitical context of capitalism's development, such as the legacy of the cold war in Southeast Asia, have not only produced structural obstacles but also continue to influence the nature of relations between state, capitalism and society that have undermined the emergence of representative democracy in the region (Rodan and Jayasuriya, 2009).

There are methodological implications associated with these two approaches in examining the political context of reform. The actor approach focuses on agency, requiring an analysis of the creativity, quality and decision-making of individuals. The structural approach, on the other hand, focuses on circumstances and relationships and thus requires a broader socio-economic, political, institutional and cultural analysis. However, similar questions apply across both approaches. A key consideration in both cases is power:[1] Who has power? What is the basis for power? How is power exercised? Seeking answers to

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[1] For an example, see Goran Hyden (2008) who employs power as an analytical framework for analysing reforms and reform outcomes in Africa.

these crucial questions requires a combination of actor and structural analysis of the context.

In particular, political analysis of context obviously entails an examination of government and its relationship with broader social forces such as political parties, the poor, civil society organisations, the private sector and international organisations and donors. Understanding a government's power or lack of power and its relationship with social forces is central to the politics of governance reform, as the conflicts and alliances between power and social forces condition the ways in which power and authority are exercised to promote or constrain certain kinds of institutional reforms. Government officials – political, military and bureaucratic elites at the central level – tend to be the key actors who have authority in initiating and implementing decisions and policies, particularly in contexts where power is highly centralised. Therefore, political analysis of contexts requires us to ask: How does the government exercise power? What are the government's power bases? What are the government's key concerns? What are the main social forces that the government has to deal with? How effective is the government in dealing with them? The answers to these questions are important in understanding the government's power, challenges and concerns, all of which are crucial factors because, when embarking on governance reform, elites first consider how to maintain their control.

Notions of patrimonialism and neo-patrimonialism are often drawn on when studying power and politics of developing countries. Scholars studying the politics of Southeast Asia, Latin America and Africa observe that patronage relations remain at the heart of power and authority dynamics in these regions (Hutchcroft, 1991, Bratton and van de Walle, 1994), where 'formal rules about how political and administrative institutions are supposed to work are often poor guides to what actually happens'(O'Donnell, 1996:40). Max Weber used the word patrimonial state to describe a system where patrons set up administrative structures and positions, and assign authority only to loyal subordinates who are subjected to primarily serve the personal and private needs of the patrons (Roth and Wittich, 1968:1010-1015). In this situation, there is a strong personalisation of power, where patrons hold enormous discretions and exercise domination through military or family power. In essence, patronage politics is based on personal connections and involves patrons providing favours or benefits to clients in exchange for loyalty and support. These unequal reciprocal relationships reflect hierarchy and disparity in status, wealth and

power. They give strong bargaining power to the patron who can use a combination of voluntarism and coercion to gain compliance from the clients.

The recently developed notion of neo-patrimonialism seeks to explain how patrimonial and legal-rational systems can blur or merge, creating a hybrid politics which features aspects of both systems (Erdmann and Engel, 2006). In this political regime, a patron draws his power from his formal position in the state and patronage network, combining and managing both systems and resources, even when democratic and bureaucratic reforms are implemented (Craig and Porter, 2006). In this context, political power is concentrated in the hands of a few individuals in the patronage network, often just one leader, who have great power and discretion over resources and their distribution, through their control of the formal political structure including the judiciary and the armed forces (Bratton and van de Walle, 1997). Neo-patrimonialism also features a strong personalised network which is connected to the leaders by awarding personal favours such as government positions, public contracts and licenses, and government services in exchange for loyalty and political support. More importantly, public finances and resources such as tax collection, public property, natural resources, and even aid money are treated as if they belonged to the ruler and are utilised primarily for the purpose of maintaining political power rather than for the functioning of the formal system. As a result, the formal systems of the state are chronically starved of resources, compared to the wealth of the patrimonial network.

Finally, particular circumstances also influence decisions about and potential outcomes of reform policy. In their study of policy reforms in developing countries, Grindle and Thomas distinguish two types of circumstance for reforms: crisis-ridden reforms and politics-as-usual reforms. In a crisis, 'there is likely to be strong pressure for reform' and decisions of elites for reforms are 'likely to be more radical or innovative than when a crisis does not exist' (Grindle and Thomas, 1991:5). Furthermore, policy reforms initiated and implemented in crisis-ridden circumstances have higher stakes and 'concern about national welfare, political stability and broad coalition of political support' (ibid 6). By contrast, when the political situation is normal, elites are not under such pressure to initiate policy reforms. Reforms are 'considered desirable but the consequences of not acting are not considered threatening'. As a result, politics-as-usual reforms are implemented 'primarily in terms of how they will affect micro political relationships within the

bureaucracy or with narrow clienteles' (ibid 14). As expected, in crisis-ridden contexts reform requires engagement and negotiation with diverse groups of people, whereas in politics-as-usual contexts reform decisions are often highly centralised and made by a limited number of people in a relatively closed manner.

The framework for political analysis of reform contexts developed in this thesis incorporates both the actor and structure approaches in explaining how certain institutional reforms are adopted, when and why, for what purposes, and the viability of such reform initiatives. Applying this framework, the next section describes and analyses the political context within which decentralisation reform in Cambodia has emerged and evolved over time, how it has been shaping the changing contents and purposes of the reform, and engaging different actors in the process.

3.2   The Political Economy of the Cambodian Context

In the case of Cambodia's decentralisation reform, the analysis of political context needs to take into account specific historical and structural factors, in particular the legacy of war and conflicts, the nature of state building, the roles of international donors and the effects of these factors on social, economic and political organisations.

3.2.1 State building in Cambodia

From the late 1960s to 1991, Cambodia was subjected to civil wars, genocide, isolation, suppression and violence. (For a brief chronology of political events in Cambodia see Appendix 1.) After the collapse of the Khmer Rouge regime in 1979, Cambodia started to rebuild the country from virtually nothing when the Kampuchean People's Revolutionary Party was put in charge in Cambodia by Vietnamese authorities. The Cambodian government at the time faced enormous challenges of rebuilding a country burdened with a shattered economy, a violent and traumatised society, disintegrated state institutions and isolation from the West.

In the 1980s, the key focus of the Cambodian leaders was geared to restoring the bureaucracy, establishing the party's authority from the centre down to the local level, and managing insurgent threats posed by the remaining Khmer Rouge and their allies

operating from safe havens in Thailand. During the early 1980s, many Cambodians who wanted to become government officials found their way to public positions through friends and comrades regardless of their political affiliation and financial contribution because, in those times, the financial benefits of government posts were low and there was a lack of qualified personnel.

This situation worsened due to the lack of state resources from locally raised revenues, the on-going war with the Khmer Rouge, and the population's distrust of the communist-oriented regime and its Vietnamese advisors. The state during this period was weak and consequently failed to implement many of its socialist-inspired policies. It failed in its effort to implement rice collectivisation, for example, and failed to mobilise sufficient production to feed the population and its officials. There was also widespread fear and dislike of the Vietnamese presence in Cambodia and ideological conformity to socialism among the Khmer was extremely poor. At the same time, while the government tried to impose a planned economy, a shadow economy also operated which allowed government officials to engage in unregulated and informal economic activities at various scales and levels of the administration. Low ranking civil officials collected informal fees from the people in order to make up for their meagre salaries. Officials who had access and protection from military and powerful individuals engaged in large-scale corruption. Illegal trade and smuggling of goods across Cambodian borders organised by the military and well-connected government officials emerged as a way to support the functioning of the CPP and its leaders, who were simultaneously the leaders of the country. Illicit logging and exploitation of other natural resources also started to produce cash that allowed the government and the party to survive.

The end of the Cold War in 1989, the departure of Vietnamese advisors, financial hardship and the failure of the regime to sustain the allegiance of its officials prompted the PRK to abandon its socialist-inspired policies, to open up the economy and to engage in dialogues with hostile factions – aside from the Khmer Rouge – along the borders. By 1989, a market economy was adopted which ironically enabled further expansion of the shadow economy (Hughes and Kheang, 2011a). Rent and benefits from the opening up of the economy were mainly shared among closely connected government officials and senior party leaders while the rest of the population remained impoverished. This practice had forged a close relationship between the trusted groups of political, military and bureaucrat

officials who controlled key positions within the government and the party. Over time, the merger of state and party produced powerful new political and bureaucratic elites and also a form of capitalist development that has enabled these elites and well-connected investors to enrich themselves at the expense of the rural subsistence economy.

Under the Paris Peace agreements of October 1991, the United Nations Transitional Authority for Cambodia (UNTAC) operation came to Cambodia. It was responsible for ending on-going conflicts and for organising national elections that were aimed to move Cambodia along the path of democracy. The CPP lost the first UNTAC-organised election in 1993 to a Royalist party – Funcinpec – led by the ever-popular Norodom Sihanouk. But the CPP refused to give in and was able to impose a coalition government in which Hun Sen of the CPP and Prince Rannarith of Funcinpec both became prime ministers. Although Funcinpec leaders took the positions of first prime minister and ministers in the coalition government, they struggled to assert their authority over the bureaucracy and the armed forces, and often found themselves excluded from having much say over the budget and resource sectors that were tightly controlled by the CPP elite (Chandler, 2008:289). At sub-national levels, Funcinpec provincial and district governors were not given power and were often bypassed by CPP deputy provincial and district governors in managing every day affairs and decisions.

Long before UNTAC, the CPP had built its network of patronage in controlling the country's strategic resource sector. Members of the CPP patronage network from central to local levels and including both civilian and military officials were allowed to engage in wealth accumulation and ensured that rents were collected to sustain the network. After 1993, the use of patronage relations made the CPP network stronger and effectively weakened and excluded other parties and their supporters from government jobs, contracts and development benefits.

The coalition government ended after the CPP ousted Prince Norodom Rannarith in a military coup in 1997. Since 1998, the CPP has won all four national and three local elections. Full peace and stability were also finally secured after the death of Pol Pot in 1998 and the integration of the last Khmer Rouge insurgents into the government in the following year by bestowing on their leaders honorific titles and opportunities for wealth accumulation. In 1999 Cambodia became a member of the Association of Southeast Asian

Nations (ASEAN). International recognition and aid to Cambodia, as we shall see, also grew substantially in many sectors. By the early 2000s, many donor-promoted governance reforms (including decentralisation) were adopted in the pursuit of further aid, investment and recognition after the CPP secured its monopoly over power in Cambodia. Foreign investors from Taiwan, Korea, Malaysia and China focused on establishing factories which produced garments for export. The integration of the Cambodian market into the region and the world has attracted local and international investors. This situation has allowed the CPP to award government contracts and concessions over land and common resources in return for donations to pay for the party's sponsored development projects which have elicited electoral support in rural areas. However, Cambodia's record in ending the war, maintaining stability and achieving growth did not conform to a legal-rational form of governance advocated by international donors. Rather, these have been achieved through a strategy of consolidating loyalty via networks of patronage forged within the state, the private sector and the armed forces.

Furthermore, the success of the CPP domination may also be attributed to the weakness and disorganisation of potential countervailing social forces in Cambodia: the opposition political parties, the civil society, international donors, and the private sector.

3.2.2 Political opposition

The gradual consolidation of power in the hands of the CPP since its election victory in 1998 has resulted in a situation where opposition parties are successfully excluded from participation in, and oversight of the government, and also from local and rural political spheres. During the 1990s, many political parties[2] came into being but several of them were built from the top down and led by privileged individuals who had returned from overseas. Many of these parties, including Funcinpec and the Sam Rainsy Party (formed in 1995 by a Funcinpec breakaway group), depended on overseas funding for their campaign activities and were disadvantaged by their unfamiliarity with rural electorates (Hughes, 2003:124). During this period, opposition parties were excluded from rural areas and were marginalised by the use of violence and threats from the CPP. Grenade attacks regularly occurred at opposition party meetings and demonstrations, summary killings of activists

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[2] 20 parties and 39 parties contested in the 1993 and 1998 elections respectively (Hughes 2003:116).

and journalists working for opposition parties and other forms of threat were well documented (ibid 180-182).

By the early 2000s, Funcinpec was in disarray while SRP found itself unable to compete with the CPP. Many small parties that contested the 1993 and 1998 elections disappeared by the time of the 2002 commune council elections. These were contested by three parties: Funcinpec, the SRP and the CPP. Funcinpec–the winner of the 1993 election –had long been in decline and its members were gradually co-opted by the CPP (Heder, 2005). SRP was smaller and was unable to gain access to the rural political sphere. The party was persistently suppressed by the government through the use of legal means to prosecute key party figures on charges of defamation. Funcinpec's electoral support declined from 45% in 1993, to 32% in 1998, to 22% in 2002. SRP entered its first election contest in 1998 when it received 14%, rising to 17% in 2002, gaining votes lost by the Funcinpec party.

Since the 2002 commune elections, opposition parties' penetration into the rural political sphere has sharply improved thanks to their increasing representation in commune councils and the general economic and political improvement of Cambodia. For instance, unlike previously, SRP has recently been able to organise party meetings and offices at grassroots level. Their activists are also legally represented in the government as commune councillors and hence they are able to campaign for their party openly (Hughes and Kim, 2004:21-22). Support for the SRP slowly increased but the party remained marginalised both at national and local elections. By 2007, another opposition party, led by the human rights activist Kem Sokha, called the Human Rights Party, was created to contest the 2008 election. Both opposition parties did poorly in that election but performed surprisingly well in the July 2013 election where they secured 45% of the popular vote after having united in 2012 into one opposition party called the Cambodian National Rescue Party. Nonetheless, it remains to be seen whether this electoral gain will translate into political pluralisation and change of policy direction in Cambodia.

By the time of writing in January 2014, a new government led by Prime Minister Hun Sen of the CPP has been formed while opposition parties continue to reject the election results and refuse to take up their seats in the national parliament. They demand an independent investigation and substantial changes in many areas including the national election committee as conditions for entering parliament. The opposition party has also urged

international donors and foreign diplomats to cut foreign aid and to isolate the CPP-led government. The international community continues to work with and recognise the new government although it calls for peaceful negotiation between the CPP and the opposition party over the stalemate (Pye, 2013). The opposition's campaign against the CPP government has had little effect on the function of the new government. New members of the cabinet have been appointed and a budget law for 2014 and other laws have been quickly adopted by the CPP lawmakers without the participation of the opposition party (Vong, 2013). So far, the international community's continued recognition of the new government profoundly constrains the options available to the opposition party despite their campaign for foreign support and backing in challenging the rule of the CPP government.

Many observers of Cambodian politics have noted that despite increasing gains by opposition parties, particularly in urban areas, these gains have not been translated into pluralisation of voices and representation nor in an increase in debates in the parliament and the public political sphere (Hughes and Kheang, 2011a, Un, 2013). A study of Cambodia's parliament in 2008 observed that significantly fewer parliamentarians spoke up in the parliament compared to the previous mandates (Tsekpo and Hudson, 2009). Prime Minister Hun Sen, who has held that position since 1985, has never appeared in parliament to answer questions, and other members of the government often did not respond to requests or questions (ibid: 20). The opposition parties held no positions on any parliamentary committees. This means that the voices and participation of ordinary Cambodians in politics have been limited and remote. Consequently, decisions about change and political reforms result from struggles and negotiations within the ruling elite rather than through broad-based representation.

3.2.3 Civil society in Cambodia

Civil society and non-governmental organisations (NGOs) in Cambodia were severely repressed and violently harassed from Independence in 1954 to the end of the Cold War (Ovesen et al., 1996). More recently, efforts by international organisations and donors to build and support civil organisations have had little to work with as many organisations have only been established following the return of international aid in the 1990s. Although there are more than one thousand NGOs active in Cambodia (SPM Consultants, 2003:9),

the vast majority of them are concentrated in Phnom Penh, lack social bases, and are heavily dependent on foreign aid (Malena and Chhim, 2009:16, SPM Consultants, 2003, Un, 2006). NGOs' heavy dependence on external aid means that they have had to comply with donor priorities and endorse the donors' promoted good governance agenda.

The NGOs operating in Cambodia can be classified into three main groups. The first group are local and informal organisations and found at commune and villages levels. They are small and adhoc associations mainly geared towards sharing communal resources. These groups are the target of co-optation and control by the CPP. Another type of NGO consists of professional civil society organisations. This group tends to be engaged in service delivery, social work and capacity building. They are independent of the government but due to the nature of their work, these NGOs have to collaborate closely with the government and tend to avoid criticising it (Malena and Chhim, 2009:10). The government engages and selectively works with this group while it excludes the critical NGOs, the third group of NGOs, which work in the areas of human rights, anti-corruption, forestry, land and elections. These organisations are consistently targeted and discriminated against by the government through violent attacks and the arrest of their members.

Since the mid-2000s freedoms of association and expression have been greatly reduced and opposition members of parliament, trade union activists, journalists and leaders of NGOs have been stripped of their immunity, killed, or imprisoned and harassed by the government (Un, 2011). In fact, civil society in Cambodia has been under renewed threat of political repression: freedom to hold public demonstrations and to engage in criticism of government policies has been severely restricted. In 2008, the government released its first draft NGO Law which aimed to create a more stringent regulation over NGO activities. According to the fourth draft of the law, which is being fiercely protested by civil society, all NGOs and local associations are required to register and obtain permission from the government, to declare their assets and funding sources, and to provide regular reports on their activities and financial status. This draft law is viewed by NGOs and critics as a tool for the government to threaten the NGO sector, particularly targeting critical NGOs which are treated by the government as opposition organisations working to bring down the government (Lewis and Wells, 2010, Human Right Watch, 2011). The adoption of the

draft law has been postponed until 2014 after mounting pressure from donors and NGOs for them to have greater inputs in the draft law. However, so far a Cambodian civil society has not emerged which can form an alliance with the poor and the middle class in pushing for democratic political reforms in Cambodia.

3.2.4 Aid donors in Cambodia

Since the 1990s, international donors have played substantial roles in promoting development and reforming political institutions in Cambodia, which is one of the most aid-dependent countries in Asia, second only to Laos (Dosch, 2012). A significant amount of Cambodia's total public expenditure comes from foreign aid. Cambodia received USD12.13 billion over the 1992-2011 period (Government of Cambodia, 2011:15). In 2010 total aid disbursements reached USD1.074 billion and went up to USD1.235 billion in 2011 (ibid). Furthermore, available aid data from 1992 up to 2011 shows that a considerable amount of western aid has been spent on governance which is only second to health sector (Table 3.1). This figure reflects western donors' emphasis on the promotion of democracy, good governance and public sector reforms in Cambodia. However, as shown in Table 3.1 below, China and Japan have become the largest bilateral donors in Cambodia, and they significantly do not share those priorities.

Table 3.1 Foreign Aid by Sectors and by Sources

Foreign aid by sectors 1992-2011 (percentage share)
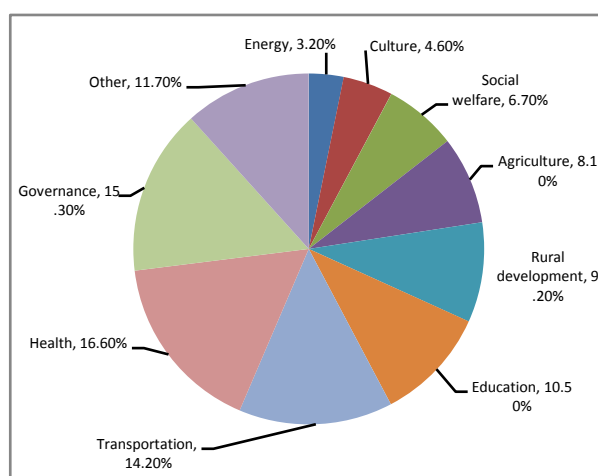
Foreign aid by sources (USD million)

	2007	2008	2009	2010	2011
UN (core)	58.3	73.2	101.8	88.2	80.9
World Bank	47.5	41.7	57.0	56.9	96.0
IMF	0.9	0	0	0	0
ADB	69.4	145.7	89.4	76.3	149.7
Global Fund	21.1	38.6	46.5	61.2	68.4
UN and multilateral	**197.1**	**299.2**	**296.3**	**288.8**	**400.0**
Belgium	7.2	2.8	4.8	2.2	2.1
Denmark	9.8	10.6	13.8	15.7	6.8
Finland	5.2	9.0	6.0	6.5	3.4
France	21.7	29.8	25.4	23.2	20.0
Germany	20.7	36.6	27.9	35.3	44.4
Netherlands	0.1	2.2	0.7	0.7	0.1
Spain	3.5	6.1	16.6	28.0	11.4
Sweden	17.3	15.9	22.8	24.7	30.1
UK	23.7	29.6	32.6	24.7	17.8
EC	44	48.4	49.4	34.2	55.8
EU Partners	**153.2**	**191.0**	**200.7**	**196.3**	**192.5**
Australia	29.6	49.1	47.8	67.4	74.3
Canada	12.6	11.5	16.7	7.9	11.4
China	92.4	95.4	114.7	138.2	210.7

Japan	117.2	126.4	134.0	146.0	120.6
New Zealand	4.5	2.8	2.3	5.2	3.5
Republic of Korea	31.3	33.0	15.8	33.9	43.6
Switzerland	3.6	3.9	3.0	3.1	4.5
USA	58.1	55.7	56.9	60.4	57.2
Other bilateral	**349.4**	**377.6**	**391.3**	**462.1**	**525.8**
NGO	77.7	110.8	108.5	127.5	117.0
TOTAL	**777.5**	**978.5**	**996.8**	**1,074**	**1,235.3**

Source: Government of Cambodia, 2011, p. iv and 15.

Since 1998 many governance reform programmes have been on the donors' agenda and have been incorporated into various government policies and strategies – including the Governance Action Plan 2001 and 2006, the National Strategic Development Plan of 2006-2010 and the Rectangular Strategy for Growth, Employment, Equity and Effectiveness of 2003 and 2008. The long list of programmes for governance reform found in these documents include civil service reform, public financial reform, judicial reform, reforms of the armed forces, specific sector reforms such as in education and health, decentralisation and deconcentration, and anti-corruption. Specific plans and strategies for each governance reform are further developed into detailed work plans with regularly monitoring convened through joint donor-government technical working groups. Progress on implementation for each of these governance reforms has been unsatisfactory and often stalled.[3] For instance, the government's commitment to pay civil servants a living wage continues to exist only on paper.

Since the late 1980s, substantial foreign aid has been used to pay salary supplements to public servants so that schools and health centres perform their functions and donor-supported projects can operate. This situation persists and in areas where donor-funded projects and salary supplements ends so does the performance and delivery of services. In another important area of governance, anti-corruption reform has failed. The corruption index by Transparency International ranks Cambodia at 157 in 2012 and at 160 in 2013 among 177 countries (Crothers, 2012, White, 2013). This indicates that the Cambodian government's acquiescence to donor-promoted governance reform is mainly to secure a flow of foreign aid even when donors' priorities are not supported by the government (Greenhill, 2013:12).

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[3] For the analysis of donor-government interaction in Cambodia, see for instance, Cock (2007), Ear (2013), Hughes (2009a), Un and So (2011), and Un (2009).

Significantly, pressure from international donors on the government has been consistently ineffective. This failure can be explained by the ability of the government to make promises initially and then offer a seemingly endless series of excuses. The Cambodian government, despite having adopted donor language and reform agendas in its policies, is able to use excuses and political calculations to avoid implementing plans in the spirit intended by the donors. The political elite has clearly made strategic choices in implementing reform templates given to it by donors. Within the donor templates of 'good governance institutions' there is considerable room for manoeuvre within which elites can take strategic action to protect their interests. For instance, in the forestry sector, donor-promoted reform was made attractive to the government and the party elite as it offered control and access to lucrative forest resources which could be used to buy loyalty and support from the armed forces and concessionaires (Cock, 2007).

The ineffectiveness of donors may also be due to the lack of donor coordination and aid fragmentation in Cambodia. For instance, in June 2008 there were 35 donors and 710 on-going donor projects (Ek and Sok, 2008:23). This issue of coordination and fragmentation has been noticed since 1992 and the situation has worsened (Sato et al., 2011:2094). Donors are unable or unwilling to unite to pressure the government. The western donors' agenda for governance reform in Cambodia, for example, is too ambitious. It has also been imposed with an unrealistic time frame and unrealistic expectations from the view of 'international best practice'.[4] Recently, the emergence of regional powers, particularly China, Japan and South Korea, who are more interested in trade and investment than in good governance practice, as sources of increased foreign aid and investment to Cambodia has given the government some welcome leverage over western donors (Sullivan, 2011).

3.2.5 *Economic growth and Cambodia's private sector*
 The successful integration of Cambodia into the regional and global economy from the mid-1990s has led to impressive economic growth with an average annual growth rate of 10 percent in the period 2002-2008. Per capita income has significantly increased from USD299 in 2000 to USD946 in 2012 (World Bank, 2013). Yet wealth has been unequally distributed as the poor are losing their land and assets to an emerging capitalist class.

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[4] For a discussion of donors' practices internationally and underlying problems donors faced to engage politically for development and good governance in developing countries, see Sue Unsworth (2009).

Income inequality between urban and rural areas has also dramatically increased where poverty and increasing illegal migration to neighbouring countries are most evident in rural areas. A 2007 World Bank Equity Report shows that between 1989, when private land ownership was first allowed, and 2004, the Gini coefficient for landholding had increased from zero (perfect equality) to 0.63, representing one of the highest levels of inequality in the Asian region (World Bank, 2007:x). Landlessness and inequality in landholdings are getting worse as the government continues to expropriate land from rural and urban people via violent evictions to make way for agro-industrial development through the award of large land concessions to private investors. A report by Global Witness in 2009 claimed that about 45% of Cambodian land has been sold to private investors (Global Witness, 2009:5).

More importantly, this state of affairs has happened since the consolidation of electoral democracy introduced by UNTAC in 1993. Inequality alongside economic growth has also accompanied the entrenchment of the CPP as the dominant political party with Prime Minister Hun Sen in power over the past twenty years. The ability of the CPP to mobilise political support in this context can be attributed in part to monopoly control by party leaders over contracts, concessions and budget distribution that have been used to forge support and loyalty from the military, the bureaucracy and the private sector.

The development of the Cambodian business elite has been closely associated with the behaviour of the CPP for which business funding has been crucial for its electoral mobilisation. Many key businesses in Cambodia have emerged from the socialist constraints of the 1980s where officials and individuals with access to, and protection of, the state and the military, had the advantage to engage in illegal cross-border smuggling. As the new market economy emerged in the 1990s, these businessmen have legalised their operations by setting up formal companies to benefit from privatisation of national resources and state assets. Writing about this issue, Gottesman observed that 'The relationship between government ministers and big business has grown closer, and some of the first big investors have become kingmakers' (Gottesman, 2005:357). He went on to say that some of these powerful businessmen also financed PRK battles in the civil war in the 1990s and provided funds for political campaigns. One of the most prominent tycoons is Teng Bunma, the president of Teng Bunrong Company and first president of Cambodian Chamber of Commerce, who is said to have funded the 1997 coup d'etat (ibid, 357). In return, his company and companies owned by his children were given favourable

contracts and concessions in importing and exporting. Another prominent tycoon is Sok Kong, the president of Sokimex company, who funded the CPP's military activities in the 1980s as well as its rural development programme. In return, he has been awarded, since 1999, the contract to sell tickets to tourists visiting the Angkorean Temple complex in Siem Reap[5], the monopoly supply of military uniforms, and the monopoly on petroleum importing. Similarly, Mong Rithy, a CPP senator, has built thousands of schools named after Hun Sen across the country and in return was awarded 11,000 hectares of land for palm oil plantations and monopoly power in important business opportunities in agriculture, and the operation of a private sea port, alleged to have been used for illegal trade (Global Witness, 2007).

CPP supporters in the private sector come from a larger pool of *Okhna*, a title bestowed by the King when one has donated at least USD100,000 to sponsor the party's activities and its rural development programme. It was reported that there were 220 *okhna* in Cambodia who control 23% of the country's land (Doung 2008 cited in Pak, 2011a:113). These *okhna* are awarded exclusive rights in banking, construction, real estate, import and export, economic land concessions, mining concessions, and government contracts. For example, 18 out of 27 Special Economic Zones as well as a large number of the 370 economic land concessions (state-awarded lease of thousands of hectares of land) for agro-industrial plantations, registered in the Open Development Cambodia, were awarded to *okhna*. One of these *okhna*, Try Pheap, owns a special economic zone in Pursat province, four economic land concessions in three provinces, and two mining concessions in Stung Treng province (May, 2013). The close relationship between Cambodian's private sector and the CPP provides a huge amount of funds for the party to implement its rural development projects, presented as gifts from the party. However, this kind of development has adverse effects on livelihood and causes widespread discontent as the poor are being prevented from accessing to common resources and in some cases are evicted from their lands to make way for agro-industrial plantations in rural areas and for real estate development in towns.

Cambodian investors are not the only ones implicated in these corrupt and personalised relationships. Foreign investors are also required to make payments and contributions to

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[5] Over 3 million tourists visited Angkor in 2013, and all non-Cambodian visitors to Angkor pay USD20 for a one day visit; however, there has been no accounting at all of this income.

the CPP network in exchange for business licenses, contracts and protection. A recent revelation by the Global Fund in Cambodia shows that two of its international companies procured to supply insecticide-treated mosquito nets had paid a large sum of money to the Cambodian officials of the Ministry of Health between 2006 and 2011 in order to secure their contracts (Ford, 2013). An Australian miner OZ Minerals was said to have paid USD1.15 million to the Ministry of Industry, Mines and Energy to secure its contract to mine in the Northern provinces (Brennan, 2011). Similarly, unions and associations of the growing garment sector (representing 17 per cent of the Cambodia GDP in 2009 (Jalilian et al., 2009:7) have not been able to demand accountability from the government for improved governance practices by the garment companies (Hughes, 2007b) because they are subject to the government's use of co-optation and violent threats.

3.3   Conclusion

In the post-conflict context described above, maintaining political stability and state cohesion continues to be the priority of the government and the CPP. However, the party and the regime are maintained by forging personalised connections of kinship and comradeship, and by offering opportunities to seek rents in return for their continuing support – rents and privileges that can conceivably be withdrawn from one day to the next. In this system, power rests in the hands of a few powerful people within the CPP network. The exercise of power in Cambodia is through networks of patron-clientelism.[6] Significantly, responsibility and accountability between elites and the society lie within the immediate network of clients and patrons which has been successfully maintained through donations of 'gifts' from party and business elites to rural populations via the party's rural development programme. The use of patronage relations to strengthen allegiance of government officials and businessmen as well as to co-opt and maintain loyalty of rural voters to the party over that of the state has been crucial for maintaining peace, stability and economic growth in Cambodia. This political model has been key to the consolidation of the CPP's power over that of the state. It is profoundly different from any liberal model of governance. As expected, it has proved difficult for the good governance approach promoted by international donors to replace the pre-existing,

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[6] Patronages practices are also well-documented and can be traced as far back to the pre-Angkorian and Post-independent period; see Chandler (2008).

operating local system with an imported model of rules-based and representative governance.

As a result, donor efforts aimed at reducing the strength of the patronage-based governance system by establishing the rule of law, empowering civil society and instituting mechanisms of accountability have been consistently resisted. The CPP's concern with maintaining control is not only driven by the logic of patronage relations but also by the belief that the CPP is the bulwark against state breakdown and the only organisation which can deliver security, peace, and development. This is demonstrated by its preoccupation with co-opting almost everyone into the bloated government offices and its monopoly control over resources. The CPP's dominant position and its intolerance of any opposition are seen by the party as not only a winning strategy but also as a security imperative. This mode of governance has constrained the emergence of the rules-based regime that is capable of exercising authority and performing functions in planning, budgeting, natural resource management and service delivery in the interest of the population at large.

The CPP is not rethinking this strategy since it both reflects its experience and serves its interests. The continuation of this practice is certainly reflected in the way decentralisation reform, initiated at the commune level and recently extended into district and provincial levels, has been designed and implemented: that is to strengthen the CPP party structure at sub-national level and hence its electoral base in the Cambodian countryside.

Chapter 4   Cambodia's Journey with Decentralisation

In the early 1990s, the concept of decentralisation was introduced to Cambodia by western donors and international financial institutions as part of their aim to bring Cambodia into line with their good governance agenda. The first donor-sponsored decentralisation projects, piloted in 1996 in five provinces, were initiated at local level with little involvement and leadership from the central government which was preoccupied at the time with national politics and continuing warfare along the country's borders. Nonetheless, the government and the CPP were closely observing the pilot projects, particularly the local planning process which provided small discretionary funds to local authorities to deliver rural development projects. At the same time as the Seila programme was implemented, the party was experimenting with its politicised rural development programme, adopted after its 1993 electoral defeat, a programme later institutionalised into the CPP structure. In 2002, decentralisation at the commune level, the lowest level of sub-national government, was officially launched, but commune governments since then have received limited resources from the central government and no significant promises of on-going service delivery. Since then, the CPP has won all local and national elections. The consolidation of power provides context for the expansion of decentralisation in 2009 to cover all of Cambodia's three sub-national levels – commune, district and province.

This chapter will describe the evolution of Cambodia's decentralisation reform with particular focus on relations between aid donors, national actors and the CPP's electoral strategy. After looking at the formal structure of Cambodia's local governance and the party organisation of the CPP at the local level, it also briefly discusses the evolution of both structures since the end of the Khmer Rouge period until now.

The main focus of the chapter is an analysis of Cambodia's journey and experience with decentralisation since 1996, from a pilot project to commune reform and the on-going district and provincial reform. Here I am particularly concerned with the way in which western donors' prescriptions for reform, and power struggles between national ministries

have been accommodated and co-opted by Cambodia's leaders for their own overarching agenda. As will become clear, the power of sub-national authorities, particularly those of provincial and district actors, has been consistently undermined by a government concerned to promote centralised control, despite overt commitment to decentralisation.

The chapter also analyses the government's motivation for, and local elites' interests in, expanding decentralisation from commune to district level. It also explains how decentralisation has so far been effectively implemented by the government only as far as it fits with the government's strategy of control and helps them to remain in power. While donors were able to exert some pressure through technical advice and funding, district decentralisation is being used primarily to strengthen the ruling party's control and voter mobilisation rather than to move towards the democratic and good governance goals that donors were promoting. As will be seen, although the donors have invested substantially in promoting decentralisation in Cambodia, their frustration and fatigue have become apparent, prompting doubts about the initial promising signs of decentralisation. Finally, the chapter discusses the government's expectations for district reform which underpin decisions about the ways the reform is designed and implemented. This analysis forms a crucial background for later chapters which show how district decentralisation has been implemented.

4.1 Sub-national Governance and the CPP's Local Structure

Cambodia's sub-national organisation consists of provinces, districts, communes and villages. Villages, the lowest rank of the administrative hierarchy, are not formally recognised in the Constitution and are considered to be part of communes.[1] Two-tiered local government consists of districts and communes, with provinces retaining their status as regional bodies representing the central government in the areas (NCDD, 2010).

The contemporary governance and organisational structure of local administration has significantly changed over the period from the 1980s until now. During the 1980s, local administration under the People's Republic of Kampuchea (PRK) was primarily concerned with protecting people from Khmer Rouge insurgents and with maintaining control (Slocomb, 2003). Its design and function were influenced by Vietnamese

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[1] See Law on Administration and Management of Commune/Sangkat 2001.

precedents and Vietnamese advisors. At the same time, substantial discretion was granted to local authorities from the province down to village level (ibid). The primary duties of the district and commune at that time were to maintain security, keep up military conscription and support agricultural production (basically rice cultivation). Local administration was autonomous and horizontally integrated as heads of province, district and commune administrations had ultimate power over the affairs at those levels and local offices of central ministries were under their command, including the military and the police. However, there was no clear division of responsibility between the district, commune and village although the district acted as the superior to the commune. Nor was tax collection and fund allocation clear (Ojendal and Kim, 2008).

Decisions regarding appointment and promotion as well as general affairs of sub-national officials during the PRK rested with the Council of Ministers rather than with any single ministry (Vickery, 1994). Most provincial, district and commune officials were local people rather than officials sent from Phnom Penh, although they were known and trusted by the central party leadership (Gottesman, 2005:53-55). This local connection and trust from higher level enabled provincial, district and commune leaders to build their local power bases and gave them room to manoeuvre to their own advantage.

Alongside this local administration structure were the Party Committees and People's Revolutionary Committees (PRC), organised vertically within each sub-national level. However, due to shortages of party members these bodies were occupied by the same people (Slocomb, 2003). The main duties of the PRC were to oversee the implementation of decisions and policies adopted by the party and the government (ibid). The real decisions were taken within the party structure and then the PRC on each level gave the local administration instructions. According to Slocomb, each PRC consisted of between five to seven members (ibid: 62). All officials in the district and commune answered directly to the Party Committee, which came down directly from the centre.

By the end of the 1980s, maintaining compliance and loyalty of local party and state officials was a priority of the regime. The State of Cambodia, adopted after the departure of the Vietnamese, and the renamed (but unchanged) Cambodian People's Party faced severe economic and political crisis after the end of financial support from the Soviet bloc. Hun Sen as the prime minister chose not to reduce the bloated civil service but instead let

everyone benefit from economic autonomy of various kinds (such as the privatisation of state property, exploitation of natural resources and tax, and contribution from the populace). Province governors were given discretion in managing tax and revenue collection over land, labour and natural resources (Gottesman, 2005:328). Even the commune level was 'allowed to collect contributions but also raised revenues from state-owned land, taxes on timber and fishing products, fees on the use of markets and riverbank and unspecified contributions from administrative letters' (ibid: 328-29). Revenues came under the control of key individual officials who held state positions but also had personal links with the higher ranking patrons. Revenues were shared only within the informal network and used to forge personal loyalty in the patronage system.

In addition to having the authority to collect local taxes and contributions, local officials, particularly the provincial governors, engaged in various technically illegal activities such as selling public properties and national resources and pocketed the proceeds. The provincial governors were particularly powerful with enormous discretion over taxation, revenue collection and local affairs. Hughes noted that the central government was aware of these problems and tried to correct them but with little success at the time, due to local officials' 'close proximity to resources' and the poor communications and infrastructure connecting Phnom Penh and rural Cambodia (Hughes, 2003:24).

By the early 1990s, a process of centralisation took place which aimed to strengthen control and oversight by the central government over local levels. In particular, the first Funcinpec-led coalition government, with support from international financial institutions, adopted a Law on State Financial Systems in 1993 which in principle re-centralised the overall system (Smoke and Morrison, 2010). This law placed revenue collection and budget management in the hands of the central government. It also formalised vertical structures of central line ministries and local administration from province to village under the Ministry of the Interior (MOI). The provincial administrations had MOI-appointed governors who oversaw the offices of the district governors. The district governors, in turn, managed a system of communes. Commune executives were appointed by the district governors. The powers that provincial and district governors had exercised over affairs and personnel of sectoral ministries such as education, rural development, health and agriculture were transferred to central ministries in Phnom Penh. The influence of

provincial and district governors over these line offices within their jurisdiction was also reduced: they, from this time on, were merely to be informed of what was going on.

The 1990s budgetary reform reduced the significance of local governments in the overall administration of the country as well as their status in the overall administrative hierarchy. The provincial administration received only a small development budget and limited authority over recurrent costs. The level of capital funds available to the provinces was so small that even when the provincial governors wanted to renovate the roof of one of their primary schools, they had to ask permission from the centre. The centralisation of power over resources and personnel starved local government of any meaningful functions and relations with society. It also reduced the influence of local administration over the affairs of sectoral ministries (such as planning, personnel and budget management, and service delivery) and hence the direct influence of Ministry of Interior through its district and provincial governors' offices over the affairs of line ministries at sub-national levels. Few line ministries had offices at district and commune level and those with such offices were poorly funded to perform their tasks. The budgetary reform deprived local authorities and local state representatives of the capacity and resources to interact with and respond to local citizenry.

Since the reform, the roles of districts and communes have become marginalised and they have no clear roles and responsibilities in development although they remain strong in security and military terms. The districts do not have a development budget, only recurrent costs for personnel expenses. During a meeting[2] with a district governor in Kompong Speu in 2008, the formulation team of the government's Ten Year National Programme asked him how his office survived. He laughed and calmly said 'We survive through the help of the people. We provided them certifications of land and other civil registrations and they give us some ink money for the services.' The district governor in Svay Rieng told us that they survived through different deals such as 'We gave a piece of land and they gave us this office building. We sometimes borrow money or ask for help from businesses, in exchange they have access to land and resources in the district.' These kinds of activities remain prominent today.

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[2] Fieldwork visits by the Formulation Team of the government's Ten Year National Programme on Decentralisation in October 2008. I was a member of this team.

The centralisation of revenues and authority within the formal state system in 1993 led to a decline in compliance and performance on the part of sub-national administrations. This was most obvious at the provincial level where governors were merely writing up reports with problems and requests for central government intervention rather than taking initiatives to address the problems themselves. The provincial level also relaxed supervision of district and commune levels which they were supposed to monitor and discipline on behalf of the centre. In an attempt to improve some of these problems, the government adopted the Provincial Budget Law in 1997 whereby the provincial governors were allowed to collect some local taxes and were granted limited budget authority.[3] This suggested that some forms of decentralisation were necessary to maintain political support for the government at the provincial level, although central patrons still wanted to monopolise revenues. However, the situation at district and commune level did not change until decentralisation reform in 2002.

4.2   The Impetus for Decentralisation: The Seila Programme

The Cambodian government's interest in decentralisation was promoted by western donors through a pilot programme called CARERE[4] (Cambodia Resettlement and Reintegration Project). The programme was initiated in 1992 and was extended and developed in 1996 into the government Seila programme (Seila is a Khmer word meaning foundation stone).[5] The CARERE project was designed to assist returned refugees along the Thai-Cambodian borders between 1992-1995, and then evolved into a pilot project which provided development grants to local communes for rural infrastructure in support of the Seila programme.

For the government, the Seila programme was a policy experiment in decentralised local development planning, financing and delivery of rural services. It provided a mechanism

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[3] Provincial governors were allowed to collect taxes on stamps, on vacant land, on animal slaughtering, on business patents, on transportation, and on public parking. For more detailed discussion see Pak and Craig 2008.

[4] There were two CARERE projects. The CARERE 1 was designed to finance the delivery of basic development projects to accommodate the return of 370,000 refugees, and ran from 1992-1995. CARERE 2 was established alongside the Seila programme from 1996-2001 and emphasized local institutional and capacity development through local development grants. After the end of CARERE 2, a new donor programme called Partnership for Local Governance (PLG) from 2002-2006 was established to continue support the Seila programme and then the decentralisation at the commune level.

[5] For comprehensive accounts and evaluation of CARERE/Seila, see for example, Turner (2002), Rudengren and Ojendal (2002) and Hughes (2007).

to channel funds from donors and the national government to deliver rural infrastructure projects through participatory planning. Only communes and the provinces were brought into the programme which largely ignored the district level. It established a participatory planning process at those levels and created mechanisms for capital fund transfers from donors to local governments that were designed to bypass the government treasury system. Essentially, systems for fund transfer and institutions of oversight were created, where a team of national and international advisors was recruited in each province to provide capacity support and ensure that donors' governance requirements for transparency and accountability were met. Funding for the Seila/CARERE programme in 1996-2001, as shown in Table 4.1 below, amounted to USD78 million. A majority of the funds came from United Nations organisations, bilateral donors (Sweden, the European Union, Netherlands and United Kingdom), and international financial institutions (the World Bank and IFAD). The Cambodian government contributed a mere USD3.5 million to the fund during the same period.

Table 4.1 Resources for Decentralisation Programme 1996-2006

Funding Sources	Seila/CARERE 2	Seila/PLG
	1996-2001	2002-2006
Total	**78,039,192**	**184,693,855**
Cambodian National Budget	**3,511,000**	**43,305,724**
Foreign Donors	**74,528,192**	**141,388,131**
UNDP	22,671,563	4,702,417
UNICEF	2,042,240	7,177,452
UNCDF	1,987,760	-
IFAD	5,700,000	29,354,070
UNHCR	340,485	-
WFP	2,860,000	9,560,000
World Bank	4,099,440	19,730,200
UN and multilaterals	*39,701,488*	*70,524,284*
Sweden	19,088,767	24,921,230
United Kingdom	1,186,099	25,679,899
Denmark	-	8,294,940
European Union	2,892,585	-
Germany	-	7,574,181
Netherlands	10,513,455	-
EU Partners	*33,680,906*	*66,470,250*
Australia	819,923	2,584,027
Canada	325,875	985,958
Other Bilateral	*1,145,798*	*3,569,985*
International NGOs	**-**	**823,747**

Source: Author's calculation based on CARERE and Seila's annual work plan and budget from 1996 to 2006

During the early phase of the Seila project, the national government had little ownership in terms of funds for the programme, and observers further noted that the Seila programme operated with minimal government involvement and leadership (Rudengren et al., 2005). The Seila Task Force – the national body managing policy-making for Seila – was established in late 1997 and rarely convened meetings. Most of the decisions and everyday work were planned and managed by foreign technical advisors and their Cambodian advisors employed and paid for by the programme. At the provincial and commune levels, key actors including provincial governors and commune chiefs took more ownership and were active in the programme because they had access to and authority to allocate Seila funds to meet local demands in the situation where they had desperate need of local finance, particularly after the 1993 centralisation.

This situation contributed to the Seila programme's success from the point of view of both local authorities and the donors. It provided much-needed funds to local authorities who lacked the power and funds to relate to their people. The programme was attractive to donors because it provided a framework for them to work closely with national and local governments in providing basic services but under a process removed from the corrupt and distrusted mainstream government system.

There are debates about the extent to which the Seila programme contributed to and prompted the government's decentralisation reform programme. Advocates of Seila argue that it was the foundation of the Cambodian government's decentralisation reform introduced at the commune level (Rudengren and Ojendal, 2002). However, it is difficult to claim that the Seila programme inspired the government's decentralisation policies without considering the wider political context.

Since its electoral defeat in 1993, the CPP's electoral strategy for rural Cambodia has depended on the CPP ability 'to get things done' through mobilising party-sponsored rural development projects in exchange for votes at election times. Even before the Seila programme was implemented, the CPP had begun piloting development strategies where small-scale rural infrastructure like roads, bridges, pagodas and schools was constructed and paid for by powerful party officials. These politicised rural development projects are still sponsored by funds raised from the private sector and from high-ranking government

officials. Krangyov commune in Kandal province was one of the places where Prime Minister Hun Sen experimented with this idea of politicised development through his Development Centres (Charya et al., 1998). This strategy has since been expanded and institutionalised as one of the party's key sources of electoral support through the party's working group system, commonly known as the party network of donations discussed later in this chapter. In this context, the Seila's local governance approach, associated as it was with local participatory planning and delivery of rural development projects, fitted neatly into the CPP's strategy for voter mobilisation.

4.3 The Commune Decentralisation

4.3.1 Motivation for the commune decentralisation

Cambodia's decentralisation emerged between 1999 and 2001 as the political and economic context was rapidly changing in favour of the CPP. Decentralisation had been on the government agenda since the UNTAC era. Local government elections were initially scheduled for 1996 but were later postponed as tension escalated within the Funcinpec-CPP coalition government. After the CPP won the 1998 election following its 1997 military coup, decentralisation reform and commune elections started to gather momentum and appeared on the agenda of the new CPP-led government with Funcinpec as its junior partner in 1999. Negotiation over power sharing between the two parties was intense as many key ministries, provincial and district positions which Funcinpec controlled during the mandate of the 1993 government were now occupied by CPP officials. Positions at the commune level were left for negotiation, but the proposal to share power at commune level suited Funcinpec. Although Funcinpec was allocated some governors and deputy governors at district and provincial levels, positions below those levels remained dominated by the CPP. Realising the significance of jobs for its electoral campaign and voter mobilisation at the local level, Funcinpec agreed to negotiate allocation of commune and village positions. However, instead of agreeing to a 50-50 split between the two parties, the CPP opted for elections. Deputy Prime Minister Sar Kheng later reflected on the government decision to hold elections at commune level:

> I still remember that there were optimists and critics who were asking why we didn't organise elections at province and district levels before the communes. This is because they didn't know the truth. The truth about commune elections was that they were prompted by political deadlock over power sharing between parties which won seats in parliament. There was a demand for a 50-50 split of seats for

commune positions between CPP and Funcinpec, but such demands could not be met. It made us think of holding local elections. And that was why we organised elections at commune and *sangkat*[6] level before other levels.[7]

In suggesting that option, the CPP must have been confident that they would win the elections. As MOI's Secretary of State told me in 2011: 'We would not hold an election if we expected to lose.' It was clear that choosing communes as the level of local political contestation gave the CPP a significant advantage over other political parties given the party's tight control over local administration.

Furthermore, by 1999, as peace and political stability were finally secured, the party and the government began to pay more attention to its image at the grassroots level. Consequently, the old unpopular roles of commune authorities – mobilising young men for conscription, maintaining commune militia for resisting Khmer Rouge attacks, and mandatory rice procurement from villagers[8] – became irrelevant. The MOI Secretary of State explained to me: 'My ministry was also pressured to find new roles for communes and find ways to make this level relevant to the new regime'.[9] The MOI, which was responsible for monitoring the performance and discipline of commune officials, was required to find new ways to relate to and control local authorities. The ministry also had to find ways to better manage the performance and loyalty of commune officials in a situation where the ministry's focus was also changing from mainly security to include also local governance.

At the same time, the government's pursuit of international recognition and legitimation after the 1997 coup and the lack of any government funds for local authorities and local development gave maximum leverage to donors. During this period, many reform programmes were made attractive to the government by the availability of funds offered by aid donors for their implementation. In particular, the government passed a Land Law in 2000,a Forestry Law in 2002, and two pieces of decentralisation laws in 2001 – the Law on Administration and Management of Communes and Sangkats and the Law on Commune/Sangkat Elections.

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[6] *Sangkat* is Khmer word for urban communes.
[7] Minutes of the NCDD meeting at MOI on 26 January 2012.
[8] See Slocomb (2003:77).
[9] Interview with Secretary of State Sak Setha, Phnom Penh, March 2011

After the passage of the two decentralisation laws, the first general election of commune councils took place on 3 February 2002 across Cambodia's 1621 communes and *sangkats*. A new phase of the Seila programme was extended. A new donor support project called Partnership for Local Governance (PLG) was created to replace CARERE for the next four years from 2002 to 2005. During this period, the Seila process and support structures were expanded quickly to cover all communes and provinces and funding for decentralisation from donors and national government was significantly increased.

4.3.2 Donors in decentralisation

New donors were mobilised to fund the expanded reform programmes. Key donors who were providing core funding to the operation and capital fund to commune councils were SIDA, DFID, Denmark's Danida, the World Bank, Germany's GTZ, Japan's JICA, UN organisations and international non-governmental organisations. Some other big supporters of decentralisation and local governance like USAID chose to channel their funds not through the Seila framework but rather through NGOs which then worked with commune councils. A few NGOs also channelled their funding and activities within the framework of the Seila programme in supporting the new elected commune councils. Between 2002 and 2006, total funding for the second phase of Seila, as shown in Table 4.1 above, had substantially increased from its first phase to USD185 million. The Cambodian government contributed a relatively impressive USD43 million. Thus, over the ten year period from 1996-2006 more than USD260 million were mobilised for the reform of which over 80% of the resources came from foreign donors. Although the contribution to decentralisation from the national budget gradually increased over the years, the reform remained heavily dependent on donor funding and assistance.

The involvement of so many donors in the decentralisation reform and the associated lack of government ownership and leadership over the reform agenda have led observers to describe Cambodia's decentralisation reform as a donor-driven one. The weakness of the government in its relations with donors has often been attributed to the weak capacity of the Cambodian state inherited from the war years. More importantly, donor dependence has been reinforced by the lack of donor coordination and consistency, and sometimes competition, in their support of the government and conditions demanded of it.

In the decentralisation sector, there were at least three approaches that the government had to accommodate. One approach was taken by the European donors (SIDA, DFID and DANIDA) which provided unconditional funding to support the operation of the Seila framework. They argued for a focus on democracy, accountability and gender equality as the basis of legitimate use of their funds. USAID endorsed the principle of this group but was prevented by the US government from working directly with and through the government system. The other two groups of donors are more flexible in their approach in pressing the government to adhere to their own conditions. For instance, international financial institutions like the World Bank (WB) and the Asian Development Bank (ADB), focused on improvement of service delivery and the business environment. Their funding consisted of building new commune offices (ADB projects) and renovating and building rural infrastructure (WB projects). The third group, which included GTZ and JICA, responded to government requests and tended to focus on capacity building and technical advice to the central government in the development and implementation of reform.

Cambodian government officials who have to deal with these many different donors complain that it has been difficult for them to be responsive to donors on the one hand and to promote local ownership and leadership on the other. MOI's Secretary of State, Sak Setha, for example, often complained after donor meetings about his difficulty in accommodating the requirements and needs of each of these donors – getting contradictory advice, frustration with donors' lack of understanding of the local situation, and regretting the time spent in routine operations and meetings with donor representatives and evaluation teams. Actually, the donors' way of working gives the government excuses and room to manoeuvre and as a consequence it has been difficult for them to exert consistent pressure on the government (Reiner and Porter, 2006). As we shall see, from 2005 onward, there were efforts to harmonise and align donor support in decentralisation and to promote government ownership through the development of the Strategic Framework for Decentralisation and Deconcentration and then the Ten Year National Programme for Sub-National Democratic Development. However, these programmes have met with little success and donors' mistrust of the government financial system persists.

4.3.3 NGOs in decentralisation
The decentralisation programme has created new opportunities for Cambodia's non-

governmental organisations (NGOs) with access to new funding and projects to work with central and local governments. This is one area where donor programme support has had strong expectations of helping to build a strong civil society to work with, to influence and to demand accountability from the government. However, the involvement and influence of local NGOs in decentralisation have been limited. Although Cambodian NGOs or civil society organisations are known to be relevant actors in most provisions of laws and policy related to decentralisation, their specific roles remain unclear. In the major consultative process relating to new guidelines and policies, a small number of NGOs are invited to participate and make comments. NGOs always have fewer representatives in big public forums than the donor representatives.

Indeed, participation of Cambodia's NGOs in important policy discussions is often a result of donor representations on their behalf. Also, regular MOI-NGOs meetings have functioned as forums where NGOs get to share with MOI information about the progress of their projects and request assistance if needed. This meeting gives MOI officials an opportunity to provide updates about the reform and about NGOs' activities in the sector. Yet, inputs and comments raised by NGOs are often blatantly ignored by the government. For example, consultations during the development of the government ten year programme were designed in two stages, first with government officials and second with donors, including some representatives from NGOs. Written comments from NGOs are often forgotten and only comments from donors really count. The integration of NGOs' voice in government policy and work has been rather superficial.

Furthermore, Cambodian NGOs depend on external donor funding to play a role in the reform. At the national level more than 50 NGOs have received funding from donors and international NGOs to carry out capacity building programmes, training, national level advocacy, participatory meetings at local levels between communities and councils, and experiment with citizen report cards and service user groups of local administrations.[10] There are also about a hundred provincial-based NGOs which receive external funding to work with local councils on various aspects similar to the projects of national NGOs. NGOs' dependence on donor funding means that their activities and orientations need to align with donors' priorities and requirements. This state of affairs also means that these

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[10] List obtained from NGOs Liaison office, Ministry of Interior, Phnom Penh.

organisations are inclined to focus on doing projects for which they can produce specific and measureable results that they can later present to donors to attract new projects and funding in a highly competitive aid market. As expected, Cambodian NGOs have difficulty juggling their competing needs to maintain their independence, maintain government cooperation and tolerance for their activities, and produce expected results to secure donor funding. Consequently, enormous efforts are invested in maintaining the balance rather than enacting programmes or promoting an assertive stance on behalf of local constituencies for reform.

4.3.4 Political significance of commune councils

Each commune council has between five and eleven councillors. The commune councils are directly elected through a proportional party system where candidates are elected based on their standing in a political party, and no independent candidates are allowed. The party with the most votes is allocated the commune chief position. Four political parties were elected in the 2002 polls. The CPP gained more votes than in the 1998 national election and thus secured its domination of commune governance (Un and Ledgerwood, 2003). It controlled 1,598 of 1,621commune as well as 7,703 councillors of the total 11,261 council positions. Funcinpec did badly in the commune elections compared to the opposition party SRP, and worse than in the 1998 election, managing to get only ten commune chief positions while SRP won thirteen. The fourth party got only one council seat. Although most communes are controlled by the CPP, many now have representatives from other political parties namely Funcinpec and SRP. The CPP continued to dominate in the two subsequent commune elections (shown in Table 4.2) whereas Funcinpec lost many commune seats to the emerging opposition parties: the SRP and the Human Rights Party (HRP).

Table 4.2: Election results for Commune Councils over the last three elections

Political Parties	2002	2007	2012
CPP	7,703	7,993	8,283
SRP	1,346	2,660	2,155
Funcinpec	2,211	274	160
Norodom Rannarith Party[11]	-	425	53
Human Rights Party	-	-	800

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[11]Norodom Rannarith Party (NRP) was formed in 2006 after Prince Norodom Rannarith, a former president of Funcinpec party, was voted out by his Funcinpec party.

Khmer Democratic Party	1	1	-
Hang Dara Democratic Movement	-	1	-
Total commune seats	11,261	11,354	11,451

Source: NEC commune election results 2002, 2007, and 2012

This electoral result signified that many Cambodians saw no better alternative to the CPP's rural development programme. My fieldwork with commune councils after the 2007 election in three communes showed that the SRP won the election in only one commune where many villagers were severely affected by economic land concessions and enclosure of common resources around the area (Thon et al., 2009). In the other commune where there were also on-going land conflicts between 85 families and commune and district officials, villagers still opted to vote for CPP commune chief in 2007 as they were waiting for solutions from high ranking CPP officials from Phnom Penh. While the SRP commune chief was proud of being more transparent and less corrupt than the previous CPP commune chief, she was unable to give much help to her constituents as she was excluded from what the CPP commune councillors and private business were doing in the commune.

Commune elections have also put in place new CPP councillors although many of these people held commune positions before the 2002 election. Data from several studies confirm that many CPP commune councillors have been holding various commune positions since the early 1980s (Kim, 2012, Ninh and Henke, 2005, Rusten et al., 2004, Thon et al., 2009). Before nominating candidates for the commune election, the party conducts local polls among its members to identify popular individuals in the communes. These men and women are then encouraged to accept nomination into the party list, although some are hesitant to stand. It is clear that commune councillors owe their position to the CPP although they are elected by the people, because they would be removed from their office if they lost their affiliation with the CPP. This body of research has also shown that the CPP and MOI sometimes override the decisions of commune councils, and enforce discipline upon them, a practice that has considerably weakened the accountability that citizens can demand from commune councils and the state.

In terms of authority, the 2001 Law on Administration and Management of Commune/Sangkat assigned commune councils broad mandates from security to service

delivery and local economic development and well-being of their constituents.[12] In reality, the communes are delegated by MOI to provide civil registrations like marriage, birth and death certificates, voter registrations, and to prepare and implement commune development plans. The councillors are supported by the commune clerk who is an official recruited and appointed by MOI. Major support to the commune councils is provided by the Seila system and officials outside the commune structure, all from higher levels. MOI officials at district and provincial level check on the legality of commune decisions and actions. Seila's advisors and facilitators at district and provincial level provide everyday support for commune planning and the disbursement of the Commune/Sangkat Fund (CSF), which is currently the only source of revenue the communes receive from the national government. As shown in Table 4.3 below, the government's contribution from domestic revenue for the fund has increased from 1.2% in 2002 to 2.8% in 2010 (an increase from USD5,000 to USD30,000 per commune per annum). Since 2010, the government has been the sole contributor to the Commune/Sangkat Fund as donor contribution has ended. Commune councils have delivered 5,000 rural water projects, 7,000 kilometres of rural roads, 730 classrooms for primary schools and other small-scale projects over the 2002-2006 period (Government of Cambodia, 2010:7).While the 2001 Law on the Administrative Management of Communes allows the commune councils to collect their own revenues and taxes and manage common resources, in reality none of these provisions is implemented, allegedly due to the lack of detailed legislation yet to be issued by the national government. Consequently, the abilities of the commune councils to respond to demands from its constituents depends on resources from higher levels of government and from external actors like CPP high-ranking officials, NGOs and donors as their funding are small and are not at all linked to locally-raised revenues.

Table 4.3: Commune/Sangkat Fund 2002-2013

Year	As percentage of domestic revenues	Total amount in USD	Average CSF per commune per year in USD
2002	1.20	6,414,015	5,000
2003	2.00	11,184,494	7,000
2004	2.50	12,500,000	8,000
2005	2.52	14,320,987	9,000
2006	2.54	16,979,024	10,000

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[12]Article 43 of the Law identifies a broad range of authorities for commune councils. These include maintaining public order and security, promotion of social and economic development, protection and conservation of the environment and natural resources, fostering the contentment and well-being of citizens, promotion of mutual understanding and tolerance among citizens, and performance of general affairs to meet the needs of citizens.

2007	2.70	21,341463	13,000
2008	2.73	22,469,135	14,000
2009	2.75	26,070,731	16,000
2010	2.80	34,319,036	21,000
2011	2.80	38,409,638	23,000
2012	2.80	44,935,802	27,000
2013	2.80	50,473,580	30,000
2006	2.54	16,979,024	10,000
2007	2.70	21,341463	13,000
2008	2.73	22,469,135	14,000
2009	2.75	26,070,731	16,000
2010	2.80	34,319,036	21,000
2011	2.80	38,409,638	23,000
2012	2.80	44,935,802	27,000
2013	2.80	50,473,580	30,000

Source: Presentation by Undersecretary of State of Ministry of Economy and Finance Chou Kimleng on Financial Management of Sub-National Administration at the Annual Work Plan and Budget 2013, Phnom Penh, 11-12 December 2012

The establishment of commune councils has political significance from the perspective of the government. The communes' new roles have transformed relations with their constituents. A study conducted by Joakim Ojendal and Kim Sedara a few years after the 2002 election shows that these relations have shifted from a relationship of fear, commonly found in the 1990s, to a relationship of respect, a shift the authors regard as a positive sign for future grassroots democracy in Cambodia (Ojendal and Kim, 2006). Decentralisation at commune level has improved relations between local authorities and the population and has also cemented the CPP's reach and access to rural people. The party has expanded and strengthened its network of local officials since newly elected commune councillors are also assigned positions in the CPP party structure at the commune and district level. This fusing of state and party structures and networks has connected the party to the rural voters in a way that outperforms the opposition parties.

For the opposition parties SRP and HRP which merged recently into the Cambodia National Rescue Party (CNRP), commune decentralisation has given an opportunity to get inside the government and actually work at the local level (Un and Ledgerwood, 2003). For some NGOs, it was intimidating as the significant donor funding that used to channel through them was diverted to government authorities when decentralisation started. For some other NGOs, it represented new sources of donor funding and new opportunities to work more directly with local authorities. For the donors, and particularly Seila donors, commune decentralisation was the direct translation of a donor project into a national

policy (Rudengren and Ojendal, 2002). It also represented a model of how productive government-donor engagement could be created in a post-conflict context (ibid).

4.3.5 Political obstacles to commune decentralisation

However, many people involved came to realise that commune councils were not a viable level of government to plan, provide services and promote local economic development. Donors were soon aware that the commune structure and the Seila support mechanism were narrow and limited in their reach and influence in transforming the whole sub-national governance of the Cambodian state (Rudengren et al., 2005, Biddulph, 2003). In particular, it became clear to the government and the donors that the commune decentralisation programme would be adversely affected without deconcentration of authority and resources from national ministries to local authorities (Biddulph, 2003, CDC, 2003, Turner, 2002). So far commune reform led by MOI was making progress but the deconcentration reform managed by the Council of Ministers was not, although there was a rumour that an Organic Law was being drafted. The confusion and overlapping of roles and responsibilities at national level was seen by donors as causing delay in developing the Organic Law.

Furthermore, while there were clearly political incentives for MOI and some CPP leaders to embrace commune decentralisation, there was a lack of ownership from sector ministries for reform. Line ministries characterised the decentralisation programme as a MOI reform project with little relevance to other sector ministries (Rusten et al., 2004).[13] The reform lacked an overall policy and a vision capable of guiding the entire government. The failure was exacerbated by fragmentation and competition among donors and national ministries over resources and control that had resulted in a lack of coordination and alignment of activities and priorities among donors and the government agencies they supported. Given that donors paid for the reform and continue to do so in both investment and operational expenses and technical monitoring for decentralisation, it was unclear whether the communes' participatory and accountability system would be deepened and sustained when donors' resources and the Seila programme ended.

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[13] This is based on my personal observations of line ministries' engagement in the decentralisation process and discussion from 2002-09, and my interviews for this thesis during 2010-2013.

Actually, some government and donors always regarded the Seila programme as a source of conflict. The support system that it provided was operating in parallel to the government's administrative structure and was not sustainable, as transparency and accountability were insured through the financial incentives and oversight provided by donors (SPM Consultant and OPM, 2004). In 2004, there were 11 donors and eight projects channelled through the Seila system. However, only three donors, namely UNDP, DFID and SIDA, provided discretionary and programmatic funding while others donors invested in fixed-term projects and specific areas with clear requirements and reporting. Critics from both government and donors, observing that the Seila programme failed to both harmonise donor support and to strengthen the government financial management system, argued that the Seila support system needed to end (CDC, 2003). However, there was no clear future arrangement in place to replace the Seila programme where donors could meet their obligations to promote harmonisation, alignment and ownership as required by the Aid Effectiveness Agenda on the one hand, and where donors could safely channel their funds through the government's own system without donor authorisation on the other. Seizing the moment, the Secretariat of the Inter-Ministerial Committee (an interim national body responsible for policy making on decentralisation) and MOI Secretary of State Prum Sokha, who was also a critic of the Seila programme, demanded that a decentralisation programme 'should not be about moving donor money, but that it must be a Cambodian product and owned by the Cambodian government'.[14] From this point, a new decentralisation and donor support programme emerged.

We will now turn to the decentralisation reform at district and province level.

4.4   District and Provincial Decentralisation

By mid-2004, donors pressured the government to come up with a new and more comprehensive decentralisation reform programme. The donors who supported commune reform were becoming anxious about the future of commune decentralisation and the government's commitment to reform, especially after the Seila mechanism for accountability and funding the commune councils was set to end in 2005. Core donors of the Seila programme, namely DFID and SIDA (and other donors who channelled their funds through Seila), were actively discussing with MOI the options for a post-Seila

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[14] Prum Sokha's lecture at Royal School of Administration, Phnom Penh, April 2005.

programme and future commitments for the decentralisation and deconcentration programme.

Initially there were two opposing proposals floating around within MOI about the future of decentralisation. Some senior officials inside the ministry wanted to develop a new national decentralisation programme that included strong provisions to devolve significant functions and resources from central ministries to all levels of sub-national governments – communes, districts and provinces. It was proposed that in addition to commune councils, 'directly elected provincial and district councils be created with representatives from the commune councils' association, civil society, political parties and religious organisations' (Craig and Porter, forthcoming: 288-89). According to this option, each level of sub-national government would be granted a well-defined responsibility independent of each other. Advocates of this option could also be found among donors who pushed for decentralisation reform at district and provincial levels (GTZ representative, 2004).

However, some other senior officials of MOI fiercely rejected this proposal, particularly the idea that the next round of reform should expand the authority and resource bases for more powerful commune councils. Secretary of State Sak Setha told me:

> We would kill decentralisation reform if we were to expand the commune with significant staff, resources and technical capacity. We had promised that implementing this reform would not put an extra burden on the national budget. We wanted to change how the local governments provide services. We would need to maintain the status quo of the commune system and increase the technical support structure at district and provincial level (these facilitator teams and advisors) to help ensure the communes could do their job.[15]

After a protracted period of internal struggle within MOI, the government circulated the Strategic Framework for Decentralisation and Deconcentration (drafted by donors' consultants)[16] which suggested that the district and provincial councils would be indirectly elected by commune councils (Government of Cambodia, 2005), and required to work for the communes. Given the CPP's domination of the communes, this version of the next

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[15] Interview with Secretary of State of MOI, Phnom Penh on March 2011
[16] There were several drafts of the Strategic Framework being drafted by various consultants paid by different donors.

reform agenda was quickly endorsed by MOI and key government actors. The proposed structure is similar to the CPP's local party structure and their strategy of working for the local level (the base). The Framework was then translated into the Law on Administration and Management of Capital, Provinces, Municipalities,[17]Districts, and Khans,[18] hereafter referred to as Organic Law 2008.

The new phase of decentralisation was regarded by a senior government minister as 'the most ambitious reform program the government has undertaken since the amendment of the Constitution in 1993'.[19] Two strategic goals were stated in the Strategic Framework for Decentralisation and Deconcentration: strengthening and expanding local democracy and promoting local development to reduce poverty. Accordingly, the Organic Law 2008 stipulates that decentralisation to be implemented is to be based on the principle of democratic development consisting of eight elements: public representation, local autonomy, consultation and participation, responsiveness and accountability, promotion of the living standard of the local population, promotion of equity, transparency and integrity, and measures against corruption and the abuse of power. Thus, the good governance jargon favoured by Western donors is enshrined in the Cambodian government's laws and subsequently in the Ten Year National Programme for Sub-National Democratic Development 2010-2019. However, achieving these democratic characteristics requires substantiation and incorporation into everyday governance practices and institutions that seems unlikely to take place.

Nonetheless, these checklists provided assurance for the donors to continue their support and funding for the government's decentralisation despite passionate frustration among some donors about the lack of clearly defined provisions in the strategic framework and the Organic Law about downward accountability and the empowerment of local councils. Only a few NGOs were involved in public consultation workshops about the two documents and they were disappointed that their proposal for a gender quota in the Organic Law was deliberately ignored by the government.

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[17]Municipalities refer to urban provinces.
[18]Khans refer to urban districts.
[19]The Deputy Prime Minister made this statement in a Memorandum of Understanding from the government to the decentralisation donor group in 2005 in a bid to attract continued donor funding for the decentralisation.

Although the Seila programme ended in 2006 after a year's extension, a new round of donor support for the period 2007-2010, called Programme Support for Decentralisation and Deconcentration (PSDD), continued Seila's legacy. Seila's personnel and foreign advisors, systems and processes were not dismantled but were integrated into the National Committee for Democratic Development at Sub-National Levels (NCDD) located inside MOI (ending the Seila Task Force and moving its structure and people from the Council of Development for Cambodia to MOI). The NCDD is a national body chaired by the Deputy Prime Minister and the Minister of the Interior and consists of senior ministers and ministers of 15 ministries including Economy and Finance, Planning, Land Management, Health, Education and so on. NCDD is supported by a secretariat located inside MOI and chaired by MOI's Secretary of State, Sak Setha.

This new PSDD provided some of the security and protection donors needed, and funding for decentralisation was secured for the period 2007-2010. Existing donors expanded their support and funding, and new donors were mobilised to back the government's new decentralisation agenda under the management of NCDD/PSDD. There were 17 main donors and 20 projects shown in the 2008 NCDD's Annual Work Plan and Budget. Yet, only SIDA, DFID and UNDP provided discretionary funding to the new programmes. As shown in Table 4.4, during 2007-2010 more than USD300 million was mobilised for decentralisation, of which about one third came from the government. During this period, the decentralisation programme had an annual budget of USD70 million a year representing a significant increase over the previous period. As with commune decentralisation, concerns about building institutional and individual capacity and developing policy and legal instruments remained the major focus of the budget: programme support and technical assistance accounted for 25%.

Table 4.4: Resources for Decentralisation Programme 2007-2013

Funding Sources	NCDD/PSDD	NCDD-National Ten Year Programme		
	2007-2010	2011	2012	2013
Total	**312,645,389**	**66,347,863**	**95,848,545**	**101,231,643**
Cambodian National Budget	**105,807,709**	**50,088,740**	**58,670,004**	**65,019,569**
Foreign Donors	**206,837,680**	**16,259,123**	**37,178,541**	**36,212,074**
UNDP	9,000,000	1,444,050	400,000	944,056
Carry-over fund	1,236,000	89,132	-	-
UNICEF	11,403,065	1,029,477	2,077,448	2,159,690
UNCDF	2,022,000	90,000	300,000	547,450
UNFPA	362,625	65,000	337,900	343,789

UN Women	-	-	-	54,000
IFAD	18,464,975	-	-	-
Asian Development Bank	21,369,294	150,000	1,701,477	8,153,691
World Bank	56,935,427	1,667,602	11,125,676	6,595,990
UN and multilaterals	*120,793,386*	*4,535,261*	*15,942,501*	*18,798,666*
Sweden	24,978,310	9,459,560	18,797,116	11,500,000
United Kingdom	18,400,000	-	-	-
Denmark	22,068,332	1,905,678	-	-
European Union	13,391,292	-	-	3,000,000
Germany	1,730,000	-	-	-
EU Partner's project SPACE	-	148,000	988,924	1,500,000
EU Partners	*80,567,934*	*11,513,238*	*19,786,040*	*16,000,000*
Australia	134,000	0	250,000	500,000
Japan	1,500,000	210,624	1,200,00	913,409
Canada	2,606,921	-	-	-
United States	*1,008,549*	*-*	*-*	*-*
Other Bilateral	*5,249,470*	*210,624*	*1,450,000*	*1,413,409*
International NGOs	226,890-	**-**	**-**	**-**

Source: Author's calculation based on NCDD/PSDD annual work plan and budget from 2007 to 2013

By early 2011 considerable changes had emerged in donors' interests, priorities and funding, which have had a significant impact on decentralisation and governance reforms in Cambodia. The end of the PSDD in December 2010 meant that the kind of fiduciary and accountability framework that protected its projects and funding from being hijacked by government officials no longer existed. While for the first time, the government's ten years National Programme for Democratic Development (the National Programme) presents an opportunity for a long-term and coordinated plan to implement decentralisation, the programme faces huge challenges as many donors remain unwilling to channel their fund to be used at the government's discretion. Some donors changed their focus or withdrew altogether from governance reform in Cambodia. Only four donors (SIDA, DFID, UNICEF and ADB) signed agreements with the government to provide programmatic support to the National Programme but, as discussed below, only one donor has in fact committed to this agreement.

At the time of my first fieldwork trip in December-April 2011, there was no commitment to fund the national plan for decentralisation from 2011 onwards as most of the existing donor support ended in December of 2010. Three large donors– DFID, Danida, and USAID – have ended their support for governance reform and decentralisation. USAID was one of the big funders which channelled funds to commune councils, but it did so under the management of an international NGO called Pact Cambodia which then worked

directly with local NGOs and commune councils. Their reason for ceasing to support governance reform in Cambodia was mainly spurred by the backlash from the government against an anti-corruption campaign organised by Pact Cambodia called the Clean Hands Campaign. On the other hand DFID and Danida, long-standing funders of decentralisation and natural resource management and seen as good partners by the government, decided to stop supporting decentralisation. Their reasons were partly a change in their governments' altered aid priority (to help Africa) but also the difficulty they faced in explaining to their headquarters the lack of progress the reform made on issues related to democratic voices and accountability. DFID now only funds support to health and education sectors in Cambodia and no longer supports decentralisation.

The World Bank, which provided significant technical support and capital funding for decentralisation since the Seila programme, was scaling down its support in Cambodia due to the failure of its project on systematic land registration. The Bank's relations with the government soured after the latter unilaterally called off the land titling project in 2010 after conflicts emerged that prime locations in Phnom Penh occupied by poor communities were excluded from receiving titles from the project and instead these communities were evicted to make ways for real estate development by CPP tycoons. Since then, the Bank has refocused its attention to social accountability and had launched a 'Demand for Good Governance' programme in 2008 under the auspice of MOI. Under this social accountability programme, selected local development NGOs are to receive capacity training and then small grants to work with local communities in monitoring the activities of local authorities. The fact that only local development rather than politically oriented NGOs are selected to participate raises important questions about the programme's prospects for empowering civil society and citizens in demanding accountability from the government.

Between 2011 and 2012, SIDA remained the only donor providing discretionary funding to the national programme for decentralisation. As Table 4.4 above shows, there were in addition several ear-marked and in-kind donor projects, among them UNICEF's Child Rights Programmes, the World Bank's Social Land Concession and Social Accountability

Programme, and European Union's SPACE[20] programme (Strengthening Performance, Accountability and Civic Engagement). The small number of donors and funding further diminish the likelihood of attracting other donors and funding for decentralisation as western donors coming to terms with the local politics. As one of the main donors which has long been a keen supporter of decentralisation, SIDA is faced with uncertainty and concern over the refocus and expansion of the decentralisation at district level. Several donor representatives interviewed for this thesis confirm this view. A European Commission official, for example, reflected when asked about her expectations from the reform programme: 'We don't know what change the reform will bring. Now that the government moves its focus to district level, it might distract the decentralisation from its intended democratic development'.[21] Donor funding for decentralisation seemed in doubt when in 2013 SIDA announced that it was planning to reduce its support to decentralisation in order to diversify its aid portfolio in Cambodia.[22] Since then SIDA has supported a new social accountability project called Promoting Citizen Engagement in Democratic Development (PROCEED) to be piloted in eight districts through Pact Cambodia.

As a result of reduced donor support, the budget for NCDD fell below its required amount. This situation persisted into the 2013 although a new source of discretionary funding from the European Union was mobilised, providing USD3 million a year. Predictably, activities relating to policy development and capacity building as well as the number of personnel (both international and national) managed by NCDD have been significantly reduced. One of the adverse effects from this shrinking budget has been the delay in setting up a legal framework and related system for the implementation of the District and Municipal Fund (DMF). Consequently, as will be discussed in Chapter 7, capital funds were not transferred to district and municipalities through the DMF until 2013. Not only have government institutions been adversely affected by the reduction in donor aid to decentralisation, I was told by several informants working in the NGO sector that competition for donor funding is fierce and that donor funding for activities has been significantly reduced in recent years. More importantly, donors continue to distrust the government public financial

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[20] SPACE is a collaboration project among several EU donors working with MOI to support the government decentralisation programme.

[21] Interview with Governance and Human Right Officer, European Commission, Phnom Penh, 26 February 2011

[22] Interview with Noel Mathew, coordinator for donors supporting decentralisation reform, Phnom Penh, 9 March 2011

system: only 35% of donor aid was channelled through the government system in 2013 (National Committee for Sub-National Democratic Development, 2013). Thus, 17 years after the Seila programme, heavy donor dependency and donor distrust of the government system both persist. This situation suggests that good governance approaches promoted by donors have not replaced the CPP's preferred mode of governance. Instead, the donor and the CPP's modus operandi co-exist and are being co-opted by the Cambodian elite in serving their own interests.

4.5   Government's Expectations for District Decentralisation

While the initial phase of decentralisation focused on the commune, the on-going phase focuses on the district (NCDD, 2010). The decision to focus on the district was also made by a few political leaders without seeking consensus within wider government circles. The government wants to reposition the district level from being an administrative coordinating hub into a key level of government able to deliver services and promote local economic development that the commune councils were unable to deliver. This shift involves the commune councils presenting demands from their constituencies to which districts will then respond. The district also has responsibility to support communes in implementing their work, to monitor and conduct legality checks of commune decisions, and to provide capacity building for commune councils. This is part of Secretary of State Sak Setha's vision for 'a better system of management' of local administration. As we shall see in the following chapters, both government officials' understanding and provisions enshrined in decentralisation laws and policies point much less to aspirations for democratic accountability and participation than they do to restructuring local governance in such a way that important aspects of governance are brought under more effective central control. This view adopted by Cambodian leaders for the decentralisation programme is consistent with and informed by the politics-as-usual context analysed in Chapter 3.

MOI, as the ministry in charge of promoting and implementing decentralisation, expects to strengthen its system of control of sub-national bodies. It is expected to be better connected and informed not only about what is going on at the sub-national level, but also about the performance and political loyalty of officials at those levels from the point of view of the CPP. The ministry is responsible for supervising and enforcing discipline over

elected and appointed officials at sub-national levels, which entails regular monitoring and access to the activities and performance of sub-national officials.

While the commune experience has been seen as successful in helping the government to fill in information gaps, link to citizens and deliver small scale infrastructure projects at the base, there are some problems with regard to commune discipline and inadequate information being channelled upward through district and provincial levels to the centre. Several MOI officials interviewed repeatedly told me that the centre lacks mechanisms to monitor the activities and performance of local authorities and is worried about its inability to control misuse of funds and other activities. At an internal meeting between central officials and senior provincial officials which I attended in Phnom Penh in December 2010, MOI ordered the provincial and district levels to actively monitor the communes and report back. This concern is reflected in the Organic Law 2008 which requires that an office to support communes/*sangkats* be established at the district level (detail about how it works will be discussed in chapter 8).

For instance, the Director of MOI's Department of Local Administration complained that the commune councils 'know too much' and that they begin to act without asking for guidance from above. His examples ranged from communes adopting local laws to spending CSF on projects without securing prior approval from MOI and to making illegal decisions about divorce cases. The following excerpts from my interviews with MOI officials reflect this concern:

> We don't know many things about what is happening on the ground especially below provincial level. (Director General of General Department of MOI, Phnom Penh, Feb 2011)

> We heard complaints about commune chiefs and clerks changing dates of birth on birth certificates and charging lots of money from young women who want to go to work abroad or in the factories. This is a big problem. We need to review the civil registration process. (Speech by Secretary of State, Sak Setha, Phnom Penh, December 2010)

> Commune councils now have more confidence and start to know more and in some aspects know too much. But that is the problem. And that is why we need district administration and regional government to help us look after the communes.

More importantly, the reorganisation of sub-national administration through decentralisation is expected to strengthen the CPP's electoral strategy through the provision of rural development projects. The CPP's sub-national structure has been transformed since the 2002 commune decentralisation. Pak Kimchouen's persuasive study of the CPP party system reveals that its domination entails the close alignment and fusion of party arrangements with state structures from the centre down to the grassroots (Pak, 2011a). At sub-national levels, commune chiefs, district governors and provincial governors are also the heads of the commune, district and provincial party offices respectively. Alongside formal party and state structures, the party also has another support mechanism called the Party Working Group or donation network (Craig and Pak, 2011). Its main tasks are to mobilise resources and deliver rural development projects.

Below the provincial working group is the district working group which Craig and Pak have called 'the most important level' of the CPP working group structure (2011:223). It complements the party district offices which are mainly to recruit and expand party grassroots membership and to monitor and control its local party network from commune down to sub-village level. The district working group consists of about 100 people of whom 25-50% are from the central government, and the rest from provincial and district offices (Craig and Pak, 2011:225). They work together to identify projects, make proposals for financing from the provincial working group, and sometimes execute the delivery of party projects. The benefit is expected to accrue to the commune level, so commune officials are expected to collaborate, coordinate and assist in these processes.

The ability of the CPP working groups to mobilise support and deliver development projects to rural Cambodians is made possible by their impressive ability to raise huge amounts of money from private donors, and by their domination over public officials from central down to local levels. Here, officials including ministers, CPP leaders, provincial officials, district governors and commune councils are assigned to work with the Party's District Working groups which are responsible for facilitating and coordinating development projects and mobilising votes for the party.

The use of decentralisation as a political strategy by the Cambodian government is compatible with this system. It fits well with the literature on neo-patrimonialism referred to in the previous chapter, which suggests that the strength of a patronage network depends on the capacity and resources of the formal system (Pak et al., 2007). In other words, to strengthen CPP district working groups would require strengthening the district administration. A Secretary of State of the Ministry of Economy and Finance (MEF) explained to me that his ministry does not entirely support decentralisation as promoted by MOI because he believes scarce resources should be used to support front line service providers (referring to the local offices of sector ministries) to deliver their services to the people rather than using resources to increase the number of MOI local administrators.[23] Nonetheless, he felt that improvements at the district level would also mean assisting the work of the party's district working groups to do a better job in responding to demands from party supporters. He said:

> Basic services that should be provided by district line offices are not there for the people as they don't have the resources. As part of the CPP district working group, I have to mobilise resources (money and people) at the national level, mainly from donors, NGOs and government ministries in responding to people in my district. I'm not just talking about infrastructure projects: I also have to resolve conflicts and basic health and education problems. If the districts were funded to deliver their basic services, it would make our response to local people quicker and more effective.[24]

Consequently, decentralisation at district level is frequently being interpreted as a means for the government to strengthen its systems of grassroots mobilisation associated with its ability to deliver rural development projects. Interpreting decentralisation this way has helped MOI to bring MEF on board, as it has been very difficult for MOI to gain cooperation and engagement with MEF on decentralisation in general and on creating a budget for sub-national administration. This power struggle reflects their different roles and interests in the government and in the party, where the role of MEF has little to do with voter mobilisation. Instead, MEF is responsible for monitoring and controlling sub-national authorities in the ways they manage and spend their budgets.

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[23] Interview with Secretary of State Hang Chuon Naron, Ministry of Economy and Finance, Phnom Penh, January 2012.
[24] Ibid.

For this reason, the powerful Ministry of Economy and Finance has not supported MOI's decentralisation programme. In anticipation of the adoption of the draft Organic Law from MOI, MEF drafted a Law on Public Financial Management which basically centralised key aspects of financial management. It was adopted in 2008, just 12 days before the Organic Law of MOI.[25] Since 1993, MEF has been able to centralise its control over sub-national level administrations and offices of line ministries, taking away financial and budgetary authority of line ministries. So far, as will be discussed in Chapter 7, decisions related to creating revenue sources for sub-national councils as well as greater autonomy over them have not made any progress.

4.6 Conclusion

Decentralisation in Cambodia has gradually evolved from a donor-driven and experimental project (Seila) into an ambitious and politically significant reform in which ownership and responsibility to make the new system and process work rests with the government. On the one hand, the fact that the government has committed to continue with the internationally promoted reform is being interpreted by donors as a promising sign that the government accepts the good governance agenda. On the other hand, the government and local elites articulate significantly different interpretations and expectations of decentralisation from those envisioned by western donors. Decentralisation has so far been interpreted and implemented by the Ministry of Interior and the CPP as long as it helps them to maintain their ways of working, the neo-patrimonial order, and to be seen as capable in responding to voter needs through mobilising resources and producing some kind of outcome on the ground. Furthermore, the strategic gradual approach to decentralisation adopted by the government in a politics-as-usual situation (as discussed in the previous chapter) means that substantial change in the future is unlikely. This state of affairs raises important questions about the effects this decentralisation may have in changing the existing power relations that donors hope to transform, particularly in a context where power has been consolidated in the hands of the CPP and its network.

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[25] Interview with Director of Department of Local Finance, Ministry of Economy and Finance, Phnom Penh, March 2011

In the chapters that follow, crucial aspects of decentralisation at district level will be examined, particularly the role of local actors – local councils and administration. Their power and their relationships that are produced by elections and reform processes will be analysed to determine the extent to which these new institutions and actors have been empowered with political authority to represent and be held accountable by their constituencies against the powerful interests of the elite. The chapters will also evaluate the effect of decentralisation with regards to its overall contribution to the quality of Cambodian governance, namely participation and democratic accountability.

Chapter 5   District Councils: Characteristics, Motivations and Goals

Immediately after the Organic Law 2008 was adopted, observers within civil society and western donors raised concerns with regard to the use of indirect election and the party list system, but they were not able to do anything about it. As the May 2009 election drew closer, observers focussed their attention and hopes on the government's promises to promote 'powerful figures from the party' into the district and provincial councils rather than to the board of governors so that the 'councils will gain greater power than the board of governors' (Manor, 2008:17). Donors have long emphasised the importance of locally elected institutions for the success of decentralisation because these institutions are seen as presenting an opportunity to make public officials more responsive and more accountable to the political demands of the people they supposedly serve. In exploring whether this has been the case in Cambodia, it is essential to understand the profiles and motives of the individuals whom the Cambodian People's Party promoted and finally selected to become district and provincial councillors and also to examine their relations to the existing power hierarchy.

This chapter explains how the district councillors were selected and why. It also discusses their characteristics, motivations and goals for decentralisation insofar as they have experienced and understood it. A comparison between the two districts I studied show similarities in councillors' experience, expectations and attitudes toward decentralisation that affect the way they perform their roles and how they relate to their constituencies. This examination is crucial to understanding whether ideas of accountability and political participation promoted through decentralisation will produce the 'democratic development' to which the Organic Law 2008 refers.

The chapter's main aim is to show that on the one hand decentralisation has created new institutions at the district and provincial level to ostensibly represent and be accountable to local citizens. On the other hand, and ironically, the decentralisation reasserts the central government and party's authority to control local officials. This result has been achieved

by implementing an electoral strategy through which the selection of local officials by the party and its patronage network and other important decisions affecting them continue to be in the hands of the Ministry of the Interior and the party. As we shall see, a shift from top-down to bottom-up decision-making and participation within the decentralized structure in Cambodia has not happened and is unlikely to be achieved because these local councils are being used to maintain political loyalty of the party's retired and less important officials, despite promises to the contrary by the government to donors.

This chapter is divided into four sections. The first examines the process of selecting and nominating candidates for district councils and the controversy around who is selected by the party. Section two discusses the elections and the elected councillors. Section three examines the councillors' motives in standing for district councils. It sheds light on the different motivating factors among male and female, young and old, and between competing political parties represented in the councils. The final section, based on interviews, features council members discussing their goals and what they hope to achieve. This segment is important in arguing whether local councils are likely to use the process and institutions of decentralisation to further the interests of their constituents.

5.1   Becoming a Councillor

Councillors in Cambodia's district and provincial levels are elected by the commune councils on the basis of their rank within a party list system. The party prepares a list of the candidates of their choice, ensuring that candidates who wish to be nominated need party backing. This use of indirect elections combined with a party list system for local councils is quite unique in the literature. There are examples from other countries of party list systems of decentralised councils (see for instance Senegal and Bolivia), but they are directly elected by the local population. Where lower level councils are used to elect higher level councils, representatives of the former are allowed to stand for election to the latter (for example, in the former Soviet Union (Hughes and Devas, 2008:7). In addition, the fact that in Cambodia candidates who are selected for the party list are mostly members of the party network and long-term loyal officials makes it unlikely that accountability relations will be promoted or improved via decentralisation.

For the CPP, the candidate list is not simply devised by the central level but involves aspects of consultation with and suggestions by local party officials about who should be on the list. Explaining this process requires some elaboration so as to understand the political interests behind the indirect election procedure. First, the central party through the provincial level instructs district party offices to propose a list of potential candidates for the councils. For the first indirect election of district and provincial councils in 2009, the party required that candidates were selected from two pools of its members: retired civil servants and influential party *saboroschon* (wealthy individuals who contribute financial resources to the party's development work). The criteria looked for in these candidates were: education, work experience, good relationship with party members, good manners, obedience to internal solidarity, and being 'development-minded'.[1] The most important qualities were that potential candidates must demonstrate good working relationships with peers and superiors, and a record of loyalty to the party. Secondly, the head of the party permanent committee in the district proposed a list of potential candidates selected from the two pools of party members residing within the district. In Dek, each commune chief was invited to propose one candidate for the preliminary list while in Thmar district that did not occur. The heads of the party permanent committee there told me that the candidates proposed in the list were mostly individuals who were members of the district party committees. After a first preliminary list was developed, the head organised a meeting of the party committee at the district level.[2] During this meeting, the first preliminary list was read aloud and a show of hands was called as to whether they agreed or not with the proposed list. In all three districts I visited, the head of the party confirmed that no disagreement occurred as the list had been carefully developed. The district-level head of the party finalised the candidate list and sent it on to the provincial party heads for consideration. Provincial governors often have the final say although the official list also requires approval from a central party chairperson assigned for the province. A senior government official at MOI claimed this lengthy and elaborate process was evidence of the CPP's practice of local democracy.[3] Nevertheless, while the process shows that CPP is interested in collecting opinions and inputs from its local officials in the

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[1] Here the CPP used the word development to mean construction or rehabilitation (*kor sang* means to build) of infrastructure projects.

[2] District party permanent members consist of 11members in both districts (because of similar population size) representing senior officials of the district such as governor, deputy governors, and heads of line offices. There are 33 members in the district party committee with representations from all commune chiefs and heads of the three armed forces.

[3] Interview with Director General of General Department of MOI, Phnom Penh, 1 Feb 2011.

candidate nomination process, the final decisions remain in the hand of provincial and central officials.

The final list of candidates for both districts had 40 candidates, more than twice the number of available seats as per Article 21 of the Election Law 2008. The list consisted of 17 main candidates (the exact number of available seats) while the rest of the list made up of reserve candidates. The number of seats a party is allocated from the election depends on the number of votes the party gets from its commune councillors. Appointment of candidates from the list to the council seats depends on their rank within the party's candidate list. The commune did not elect or choose from the list which candidates should be in the councils; it only selected a political party on election day, just as citizens elect commune councils. In order to ensure that commune councils vote for the candidates that the party has proposed, a few days before the election the party organises the party meetings when an instruction about how to vote is provided. Although there were more candidates in the list than the vacant positions, the commune councils only selected a party of their choice but did not have authority to choose which candidates in that list should be in the councils. Consequently, although the commune councils elected the district councils, the party has the power to nominate candidates in the party candidate list and withhold a place in the list in the next election. As we shall see in Chapter 9, commune councillors are obliged to vote for the party which has put them in their positions, undermining the idea of democratic accountability that was intended in decentralisation.

This candidate selection process is not without problems among party officials at every level who have the authority to propose candidates and demand that they be shortlisted. There are some tensions between candidates proposed by commune chiefs who are often ignored or are placed at the bottom of the list with no chance of being selected to be in the council, and candidates proposed by district and provincial governors, and candidates automatically put in the list by central high ranking officials to whom the district and province cannot object. Although at the national level, party officials claimed that the party candidate lists should be proposed by and supported by the communes, in the three districts I visited such an invitation was only extended to the communes in one of the districts. Inquiry into such practices in neighbouring districts with the commune chiefs revealed that they were no different from other communes in other districts where

communes were not invited to propose candidates in the list. Two of these commune chiefs shared their frustrations when I talked to them in 2011:

> I was asked to nominate a candidate from my commune. My candidate did not get selected to be in the main candidate list, but was among the few at the bottom of the list. I don't know what to do; now I have no network at the district council. (CPP Commune Chief, Dek district, 31 March 2011)

> I was not invited to nominate a candidate from my commune or consulted about the candidates for the district council. I was only asked to vote for the party. (CPP Commune Chief, Thmar district, 3 March 2011)

Not only were the commune chiefs frustrated, the district governor in Dek also complained that the higher level party did not respect the proposal that the district submitted. He found that both the province and the party senior officials included their own people in the top of the list who did not meet the criteria set forth by the party. The governor explained his view:

> Candidates for district council consist of relatives of those at the central level who asked the province to help them earn a living, and some are former opposition party activists who have now joined CPP. These candidates don't know anything. (District governor, Dek district, 16 February 2011)

Inquiry into whether aspiring candidates were required to pay money to the party to have their name put on the list revealed two stories. The heads of the district party branches claimed that there was no payment involved in securing council positions because there was not much interest in these council positions at the time. The reasons are discussed below. This is also because the party wants to use 'these positions as a gift of gratitude (*sarkun*)' to party members who have been loyal and supportive of the party.[4] My interviews with elected district councillors in both districts reveal that they were not asked for money by district party officials but they did have to bribe the provincial party officials to secure their name on the list. However, I was told that the entry fees for council positions were low compared to positions on the board of governors. A female councillor (who was a gender 'focal person' at the commune level) told me that she spent about three

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[4] Interview with former chair of district council, Thmar district, 2 March 2011

months of her council salary (approximately USD300) to get nominated and to secure her name in the top 17 of the candidate list. This money was paid to a provincial officer who then passed some of the proceeds on to the provincial party coffers.[5] But I was told not everyone paid for the council positions, particularly those who already held senior positions in the party committees and those who had powerful patrons to back them.

Actually, for two reasons it was very difficult to recruit candidates to stand for the council positions in this first round. The first of these is the question of council benefits. Details regarding the salary of the councillors at district and province were not finalised until December 2009, more than seven months after councillors began working. The Ministry of Economy and Finance (MEF) was under immense pressure from the military to increase their budget and salary for the defence sector as border problems with Thailand over Preah Vihear escalated. During 2008-09 from my own observation while working at MOI, I remembered that there were countless meetings of frustrated MOI officials with MEF who argued that unless functions were devolved to these councils, there would be no revenue for them.[6] MEF also asked for clarification of the council functions before they could design the allowance system. MOI demanded that the newly elected councillors receive higher salaries than the executives to make them look more important than the executives. MEF rejected this idea strongly because both the military and civil servants had been demanding salary increases.[7] The issues concerned not only what allowance councillors should receive but also who would actually manage how the budget was disbursed. MOI was under pressure from councillors and worried about letting them down. During that time, the situation was quite chaotic for the local party offices as a number of councillors had recently resigned and had chosen to return to their government posts. MOI raised the problem with the Prime Minister and a compromise was finally reached which was to have similar pay for councillors and the executives. This matter should never have had to go that far up in the hierarchy, suggesting that there is strong reservation within the government about decentralisation. To encourage and motivate government officials who

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[5] Interview with a female district councillor, Dek district, 29 March 2011
[6] I was working at the Ministry of Interior as a member of the formulation team for the National Programme from September 2008 until April 2009.
[7] In late 2009, all salary supplement schemes for donor supported projects were eliminated by the Prime Minister overnight, a decision which badly affected the quality of service delivery provided by front line officers in education and health sector as much as central level officers working in reform programmes. A new salary scheme was created mid 2010 called priority operational costs (POC) involving a lower salary top up than previous schemes.

would soon be retired from their government positions and civil servants to take up the council positions, a sub-decree[8] was issued allowing them to receive a council allowance on top of their government salary.[9] Two councillors discussed this matter:

> No one showed interest in becoming a councillor when we were recruiting for the party list. The Council was a brand new body, and entering it was like going into a haunted desert. What we did was to nominate them and include representation from various sections of the district. But by the next election there will be people wanting to be here. (Chair of council and chair of CPP district party, Dek district, 18February 2011)

> People [referring to government officials] laughed at us [councillors] because we didn't have any money or power. (Councillors, Thmar district, 2 March 2011)

Table 5.1 below summarises the monthly allowance that councillors in each of the three levels of sub-national government currently receive.[10] As the figures show, there is a clear hierarchy of importance reflected in the new decentralised structure in terms of councillors' allowance, which they receive simply because they belong to a higher level of government rather than as a reflection of their roles or responsibility. As such, provincial councillors receive higher allowances than district councillors, who receive more than commune councillors. The huge gap between commune and district/province has created some tensions but has not been justified by the government. Instead, MOI has increased allowances for commune councils by about 100% in 2013 although they remain significantly lower than district and provincial levels. The tensions remain and have had important implications for the relationship and accountability between councils at these different levels, particularly the commune and the district as will be discussed in Chapter 9.

Table 5.1: Monthly Allowance of Councillors at Sub-national Level (USD)

	Provincial Council	District Council	Commune Council
Chairman	250	175	38
Councillor	200	125	25

Source: Sub-decree 214 on allowance for province and district councillors 14 December 2009; Sub-decree on allowance for commune councillors and village chiefs October 2010.

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[8] A sub-decree (in Khmer *anuk-kret*) is a legislative document which is reviewed and adopted by the Council of Ministers and are generally used to implement and clarify specific provisions of enacted laws. Sub-decrees are put into effect by the signature of the Prime Minister.

[9] Article 5 of Sub-decree 214 on allowance for province and district councillors dated 14 December 2009.

[10] The figures presented in Table 5.1 remains as of January 2014.

Another reason why it was difficult to recruit councillors had to do with the perceived absence of influence ('salty spit' as Cambodians say) and authority (*amnach*) vested in the council compared to the executive. My informants talked at length about parliamentarians and senators who they think have status but do not possess either 'salty spit' or *amnach*. They are merely rubber-stamps for the government and increasingly fail to monitor the government's work. My informants observed that laws proposed by the government get adopted more quickly than before, without asking government representatives to answer questions. This is because the government, led by Prime Minister Hun Sen, is seen by the councillors as having the necessary salty spit and (another common phrase)magic fingers. Any decision adopted at the council of ministers meetings is seen as having 90% chance of going through the Parliament and the Senate.[11]

Several CPP councillors told me that the fact that each of these councils at the three levels of sub-national government is separate is a worry to them. They fear that the councils are isolated and are not connected to one another and do not link to a hierarchy except by being directly answerable to MOI. Individuals who were in important posts at province and district level, refused to stand for councils even when the party nominated them; they even paid the party not to nominate them. Others who moved on to be in the council made sure that at the same time they secured another advisory position within the government. Here are some of the remarks made to me by these councillors about standing for council seats:

> I cried when I was told to relinquish my district governor role and stand for the chair of the council. Several of my mates at the district level and even at the provincial level felt the same. It is very difficult. Because I knew that no one would want to come and see me again as a chair of council. They would all go to the governor. (Chair of district council, Dek district, 12 January 2012)

> I was nominated to be the chair of the provincial council by the leaders of the party. It was a very difficult decision. I was reluctant but I dared not say no. (Chair of provincial council, province A, 14 Feb 2011)

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[11] See Bertelsmann Stiftung (2007), Tsekpo and Hudson (2009) and Committee for Free and Fair Election in Cambodia (2010).

There are a few cases where we nominated retired officials from the tax department and fisheries to stand in the councils. But they refused to come here. They prefer to stay home. (District governor, Thmar district, 7 March 2011)

I have friends who were selected to be councillors in the district and province. They have now come back to government positions because there was nothing to do in the council positions. (Director of Department of Local Finance, MEF, Phnom Penh, 3 February 2011)

These remarks clearly show a lack of belief in the notions of democratic representation and accountability being promoted by proponents of decentralisation. Crucially, the exercise of power and authority in Cambodia comes down from the top, not up from the bottom. Thus, an association with groups and individuals at a higher level who possess power (*amnach*) is more important than one's official title. And as we have seen in the previous Chapter, power in Cambodia lies within the patronage network of patrons and clients all of whom are connected, in one way or another, upward to the top of the hierarchy. The way these councillors are selected into their positions reinforces patronage practices in decentralised governance and therefore makes the effort to strengthen participation and democratic accountability difficult to achieve.

Opposition parties were not really aware about the district council election except a few who had attended the workshop on Organic Law organised by the International Republican Institute and also some who were commune councillors. As a male SRP Dek district councillor told me: 'I did not know what I would be doing when the party nominated me in the list. I told my friends maybe I would be going to work in the district administration and serve them tea.'[12] It was also difficult to recruit candidates with administrative experience to stand for opposition parties or professional individuals as opposition activists are regularly harassed and intimidated by the government.

To summarise, it is clear that from the perspective of the government, the creation of district councils is not an exercise in promoting democracy and bottom-up accountability. Candidates for district councils are selected based on the party list which names those who

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[12] Interview, 30 March 2011.

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are already part of the informal networks and are loyal to the party.[13] As such, the party regards the position as a sinecure and as a reward for loyalty. Both of these expectations are sharply in contrast with the intentions of western donors supporting decentralisation in Cambodia. Evidently, the government's genuine agenda for decentralisation is not about democratic reform, rather it is more about finding new ways to perfect its party network at the grassroots.

5.2   Election Results and Profiles of the Councillors

Having presented a broad picture about the selection process and having discussed who might be appointed to take up district council positions, this section will examine in more depth the election results and the key characteristics of councillors and the differences between councillors who represent different political parties. Examination of their personal characteristics and the nature of their networks is critical to our understanding of their roles and functions in the decentralisation system, and their relations with other social forces within Cambodia, issues that will be discussed in Chapter 7.

The CPP controls more than 70% of commune council seats in Cambodia. In district and provincial election results the party confidently expected to receive 70% of the vote in all 24 provincial councils and 193 district and municipalities. Opposition parties received less than 20% of the seats. The CPP boasted that it had secured more votes than the number of its commune councillors. SRP councillors reported that their commune councillors were approached with offers of a couple of thousand dollars to vote for CPP.[14] Nonetheless, no official complaint was made and National Election Committee dismissed SRP's claims.

A typical provincial council consists of 9 to 21 councillors.[15] All 23 provincial councils are chaired by male CPP officials. In each council, there are one or two female CPP councillors, and a few opposition party councillors. The rest are male CPP councillors. The council composition at district level is similar to that of the province. Each district has between 7 to 19 councillors depending on the population size of the district.[16] In all 186 districts, the district councils are chaired by male CPP officials. Each council consists of a

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[13] Loyalty is important to the functioning of patronage network in Cambodia. A historian has argued that one of the reasons that Sihanouk was ousted by Lon Nol coup was because a large number of parliamentarians elected in the 1966 election no longer owed any loyalty to the Prince (Chandler 2008:238).

[14] See for instance, Hughes (2010:87); and Pak (2011:167).

[15] See Article 18 of the Organic Law 2008.

[16] Ibid.

few female councillors, a handful of opposition party councillors, and predominantly male CPP councillors. There are 37 female councillors out of 374 provincial councillors, and only three of them come from SRP. At the district level, female councillors occupy 362 out of 2,861 seats, and only 12% of them, or 43 female councillors, come from opposition parties. Table 5.2 summarises the election results received by political parties.

Table 5.2: Results of Indirect Election of Provincial and District Councils First Mandate 17 May 2009

Political parties	Province		District	
	Councillors	Female	Councillors	Female
CPP	302	34	2,249	319
SRP	61	3	518	39
NRP	5	-	39	1
Funcinpec	6	-	55	3
Total	**374**	**37**	**2,861**	**362**

Source: National Election Committee 2009

It is clear that most of the councillors belong to the CPP (refer to Table 5.2). These are in effect current and former CPP party committee members working within all district administrations including district office, agriculture, education, land, police, military and so forth. A small number are local businessmen and local party activists or local party officials. In the two case study districts, most of the councillors are aged from late 40s to 60s. In a few other districts that I visited I observed there are a few councillors who cannot really work as they are too old. Basically, they cannot hear and talk in the meeting or have been sick most of the time. One of the district councillors was 82 years old and was quite weak when I met him. He is a godfather[17] of the provincial governor. Another female councillor has been sick and has never attended any council meetings. Most of these individuals have worked in the district administration for over twenty years. They also experienced the Khmer Rouge, have long been working together and have become colleagues and friends (*kneaeang*) – helping and protecting each other. They have also all been long- term followers of the CPP, a fact that is critical in cementing council solidarity and loyalty to the party. All councillors can read and write, and many of them have

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[17] Godfather in Khmer is *ouvpoukthor*. There was no official ceremony involved in this case to formalize the relationship. It involved no formal arrangement, only that this provincial governor shows his respect and love to the old man (who was his teacher) by providing on-going financial support. And when the district council positions become available, he was nominated into the party candidate list so that he will receive the council's monthly salary.

finished secondary school. A few have spouses working in government offices and in boards of governors. For example, one district councillor has a deputy district governor as spouse while a provincial councillor has a brother who is deputy provincial governor.

Almost all the CPP councillors retired as civil servants around 2009 when the district councils were created. A few who are not retired identified themselves as local party activists, ordinary citizens and officials working in the CPP district offices. At the provincial level, a similar situation prevails. According to a senior MOI official, half of the 24 chairs of provincial councils were once deputy provincial governors, provincial governors, MOI central officials and Members of Parliament.[18] Two recent studies of local governance in various parts of the country also found that most officials selected for provincial and district councils are 'long-time serving party officials' (Pak, 2011a:169) and 'mostly party activists and retired officials' (Kim, 2012:202) being 'promoted' to respectable and undemanding kinds of positions. But neither study provided a detailed account of these officials.

Chairs of district councils deserve further discussion, partly because they hold more power than councillors and are responsible for disciplining councillors and managing the affairs of the council, and partly because the party selected them carefully to be sure they were not tainted by corruption. I was told that all chairs of the councils are men who were handpicked by the provincial governors. Most of them are former district governors or deputy governors. It is interesting to note here that those who were nominated are not considered as powerful and well-off as officials occupying positions of the boards of governors. In both of the fieldwork districts and two others in other provinces that I visited, the chairs of district councils are seen as long-term party loyalists but not as officials who make money for the party. Meetings with officials who have worked with them over the years in the district administration confirmed this observation. A female director of administration in Dek district, for example, told me that 'Uncle Sar is a good man and easy to work with. But he is very poor among all the district governors (in this province) although he was in position where he could make lots of money as the district governor for more than ten years before moving to the council chair. I think this is because

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[18] Interview with Sor Vorin, Deputy Director General of NCDD Secretariat, Phnom Penh, 6 December 2010.

he is too honest.' I also heard similar comments about Mr Keut, the council chair of Thmar district from his subordinates.

Both these district council chairs have been working at the district level since 1979, holding various positions ranging from militia fighting the Khmer Rouge insurgents in the 1980s, then teacher and accountant, through to deputy governor, and district governor during the early 21st century. Both men are now in their 60s and attained high school education and even some training in Vietnam. One of them can speak some French and Vietnamese. Both are seen by their subordinates as honest and poor civil servants although they had both held positions in which they could have made a good deal of money. For instance, Mr Sar of Dek district headed the provincial commerce department in 1985 which was one of the most lucrative positions any government official could wish for. He managed goods donated from the Soviet Union and Vietnam (soap, gasoline, food etc) and rice collected from *kromsamaki* (solidarity groups), and allocated these goods to government officials. He said: 'I never took a Riel of the money and goods I managed and only lived off my salary'. Mr Sar's staff at the district told me that after ten years in the governor's seat he does not own much and is the poorest district governor in this province. Mr Keut on the other hand was a deputy district governor before chairing the district council and was in charge of coordinating the commune decentralisation when it started in 2002. He has good public speaking skills, especially when speaking to village crowds, but he was thought to be less skilled in the areas of management and money making. When the restructuring occurred in 2009, he was made chair of the district council while his colleague, who was in charge of the finances and budget of the district and was known as a money man (*neakrorklouy*), was promoted to be governor.

Understanding why the government and the CPP select such individuals for these council positions gives insight into the motivation behind the decentralisation programme and the potential outcomes of such reform. Some view this strategy as promoting the public image of the party, while other see it as an attempt to create balance between the councils and the governors. But a more convincing reason for the government and party to promote old officials not associated with corruption to the councils is to manage generational change in the party. A crucial speech by Prime Minister Hun Sen at the launch of the Organic Law on 29 January 2009, just a few months before the council election, provided some clues as to why retired or less active civil servants were chosen for councillor positions. In the

speech the Prime Minister told an audience made up of Cambodian government officials from national and sub-national levels that the party was looking for candidates for the provincial and district councils. He suggested that officials who were currently holding positions with no significant power or near retirement age would be better off going for the council positions at province and district level. With this suggestion he provided a warning, saying:

> I am planning to reduce the number of governors and deputy governors so some of you should think about standing for the council positions. If I were you, going to work in the province is better than being an undersecretary of state. Being undersecretary of state in some ministries is not easy; working in the province is more useful and you can serve the people better. I encourage you to stand for provincial councillors and in some places where they have difficulty finding candidates, you can request to be the chair of the council.[19]

Two groups of government officials were specifically targeted for these council positions. As the Prime Minister's speech indicates, those who were at the margin of the core groups of powerful networks were seen as potential council candidates. Retired or near retired officials were also seen as potential candidates as the government was enforcing a strict retirement age of fifty-five for ordinary officials and sixty for senior ranking officials.[20] The high number of civil servants at retirement ages and officials with high status positions (but no official duties assigned) constitutes a serious problem for the government and the party. Just within MOI's sub-national administration, a study supported by Japan found that more than 4,822 or 66% of officials were aged between 40 and 65 with over half of them over 50 years, while half of the local administrative staff held high-ranking official titles (Ministry of Interior, 2008:12) . This means that at local level there are more senior officials than ordinary staff officials, indicating that the current administrations have more officials holding high status positions such as governors, deputy governors, and chiefs of offices compared to a relatively small number of subordinate staff.

This situation is partly a result of the legacy of war and the election of 1993 where political deals were made to accommodate demands from different political parties when

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[19] Hun Sen's speech on 28 January 2009 in Phnom Penh.
[20] A new sub-decree signed by the Prime Minister on 12 January 2009 on top of the existing civil code reinforces this point.

the first coalition government was formed. More importantly, it is an outcome of the continuous effort of the CPP to cultivate an extensive informal network of loyal clients. Officials are routinely granted titles and positions to keep them in the network. Attempts at civil service reform supported by the World Bank to reduce these kinds of inflated positions have been resisted.[21] At the sub-national level, thousands of officials in their 50s and 60s take their high-ranking titles into retirement. This has created big challenges for MOI which has responsibility to control and monitor local officials' political loyalty.[22] At the moment, the new council positions provide a viable solution to these problems – giving them titles, salary and maintaining them inside the CPP network. One MOI official defended this decision to me based on the government's priority with regard to maintaining political stability. And from the point of view of the party, it is seen as taking good care of its loyal officials.

Accordingly, the creation of district and provincial councils not only enables the government and the party to create new positions and hence new patronage opportunities, but also entails opportunities to recruit new civil servants and promote lower-level official upwards as positions formerly occupied by council members become vacant. As will be discussed in the next chapter, a new group of officials have been promoted to take up positions in the board of governors as well as positions in the district and provincial offices as these positions have been vacated. This is indeed how the district and provincial governors understand why the government creates these council positions. To them, as one deputy governor told me:

> The party cannot forget and neglect our loyal high-ranking officials. But we don't
> know what to do with all the governors and the department heads who are entering
> retirement. Where can they go? There are not enough political positions at the
> national level to accommodate all the requests. Some influential retired governors
> get promoted to be advisors (*Tibreksa*[23]) of national high-ranking figures. So we

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[21] See Talietio (2008) and Eng and Craig (2009).

[22] Interview with Leng Vy, Director General of General Department of MOI, Phnom Penh, 01 February 2011.

[23] *Tibreksa* is common in Cambodia and is mainly used to give title and social status to people in one's patronage network, but does not necessarily mean providing advice to senior officials as the title suggests. For instance, it is speculated in the media that the three powerful figures of the CPP (Heng Samrin, Chea Sim and Hun Sen) each has more than 100 advisers including senior bureaucrats, military generals, businessmen and other wealthy individuals in the country.

need to find ways to take good care of them and make them happy and at the same time create vacancies for younger generations. (Province A, 14 February 2011)

All the evidence at the present suggests that the creation of district and provincial councils – a process involving more than three thousand new positions – provides an opportunity for the government and the party to accommodate this need. Not only have the new positions kept the outgoing officials happy[24] and hence reduced the risk of creating political rifts within the party, the arrangement has also enabled the government and party to replace the old with a new generation of officials who are more capable in managing the changing political-economy. As such, decentralisation reflects the need for the government and the party to adapt to generational change within the party as well as to accommodate change resulting from Cambodia's many recent transformations (as discussed in Chapter 3).

Unlike the CPP, SRP councillors tend to be younger and have less experience with government work. Most of them are ordinary citizens and identify themselves as farmers; others are former police or military officers or teachers. Also unlike the CPP district councillors, SRP councillors had been commune councillors or had run for commune offices. Many SRP councillors entered politics because they resigned or were laid off from government offices after the 1993 coalition government was formed. This experience has important implications for how the CPP and the SRP work together in the council and how the councils function, which will be explored in Chapter 8. One SRP councillor told me about his background before becoming the district council:

> I went to the Soviet Union for three years for naval training and had proper certificates. After UNTAC I was demilitarised [*katromsay*] and so stayed home. Actually my name was not on the layoff list but the process took too long even after I had spent some money. I have been a farmer since then. (Male district councillor, Dek district, 30 March 2011)

In short, almost all current district and provincial councillors are male, elderly and retired civil servants loyal to the party. There are also representatives of ordinary people who are active grassroots activists being rewarded for their service and loyalty rather than

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[24] Also see Pak (2011).

representing a strategic move for inclusiveness. A small number of businessmen included in these councils are men who have made substantial contribution to the party. They have accepted the positions in order to strengthen their access and connection with the government and party, and in order to obtain government licenses and contracts. The CPP makes sure that officials promoted to these councils will not break ranks with the party or are independent enough to represent their constituent interests effectively, where those interests conflict with those of the party. If this occurred, the party would immediately discipline and remove them from their positions, just as has happened in the commune councils.[25]

Our discussion so far suggests that decentralisation has enhanced the opportunities for central patrons to find jobs for their clients and to manage them at the sub-national level.[26] Over the long-term, as a result of social and economic changes in Cambodia, the profiles of district and provincial council members may begin to change. We could expect, for example, to see a slow gradual increase in the number of female council members, following the patterns observed for commune councils and the Senate.[27] More businessmen may well become involved in sub-national politics when more power and resources are devolved to lower levels. As at the national level, the indirect election of senate members has seen increasing numbers of wealthy individuals and tycoons taking up those positions. There are already a number of young people in their 20s represented in the councils from opposition parties, but as we shall see, they remain silent and marginalised. Independent and capable young individuals are less likely to be attracted to these councils because of low pay and heavy obligations to patrons. In the meantime, however, it is difficult to detect significant change in the next council mandate (planned to occur in May 2014). With the reshuffle of members of board of governors at district and provincial level in early 2013 (when their first four-year mandate was completed), there are a good number of retired governors/deputy governors waiting to enter the council positions when the next indirect election takes place. So far, despite the recent electoral set back discussed in

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[25] See Rusten et al (2004) and Kim (2012).

[26] This is not unique for Cambodia. Experience in other countries such as Indonesia and Uganda also show that local positions and new districts were created and used to strengthen patronage networks at the local level. See Green (2010) and Fitrani et al (2005).

[27] For discussion on women in local politics, see Kim and Ojendal (2012).

Chapter 3, there is no sign that the government and the CPP are changing their approach, particularly about how officials are selected and promoted into these council positions.[28]

5.3   Motives for Becoming a Councillor

As we have seen from the first section of this chapter, there was little enthusiasm for becoming district councillors when the party began recruiting candidates. People who are already in the network and enjoy status and wealth were not interested in becoming councillors. People who were coerced to take up the position or given the job by the party expected status and benefits. This is also the case for councillors from opposition parties who expect that their services for their parties will be translated into some form of state position. These kinds of expectations lead one to question the extent to which these councillors are going to be representative and responsive to their constituents.

There are a number of factors that motivate individuals to become a district councillor. First, as we have seen, there is both pressure from, and obligation to the party. As noted above, some not yet retired councillors were asked to move from the executive to the council body. They were unhappy with the pressure and actually resisted, but with little success. These councillors have no motivation. Others are obligated to become councillors because they have served the party and are already retired or soon be retired. They are grateful to the CPP for this position and perceive it as a reward for their long service and commitment to the party. Similarly, opposition councillors have invested both time and personal resources for party work but receive limited reward. Having been elected into the council signifies a milestone achievement for activists and the opposition parties.

Second, the position offers an opportunity for councillors to earn a living and possibly other financial benefits. While the average salary for civil servants in Cambodia is about USD50 per month, councillors are paid more than double that (refer to Table 5.1). Being a councillor provides stable income for the family. Besides, as many noted, there will be opportunities to go for training sessions, work with NGO projects and attend meetings in Phnom Penh. CPP councillors want to remain within the party network for social and material preferences that are available to party members such as scholarships for members' children to attend university and get government jobs which are not affordable

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[28] Interview with district governor, Dek district, 9 January 2013

and available to everyone. Some of the younger councillors see being part of the council position both as improving prospects for future government positions and as helping the party and their superiors. They consider that the government offers them better opportunities than the private sector. If government positions became available, they would resign from the council and move somewhere else. For opposition party councillors, financial benefit is also an important motive as there almost no financial prospects that the opposition parties can offer to their members.

> I am already retired. I am now 65 and I cannot do rice farming at my age. This work is helping me to live. (Male district councillor, Thmar district, 2 March 2011)

> I am very happy to be here. Before I worked at commune level where I only received 50,000 per month (USD12) and I had to travel a lot. My husband was not happy with me: earning little but lots of work. Now he is more understanding of my work. I am very grateful to the district governor for proposing my name in the council. (Female district councillor, Dek district, 29March 2011)

> My salary from the council position keeps me in my job as an opposition activist. (SPR Councillor, Dek district, 30 March 2011)

Social status and pride are also factors which attract candidates to take up a council position. Provincial councillors are addressed as *ekoukdom* (Excellency) which is a prestigious title. Although district councillors and governors do not have that title, both are given the same status as high-ranking civil servants of MOI. Status can be ritually displayed through your means of transportation (car or motorbike), certain dress codes, and whom you know. A few provincial councillors from SRP complain that that they have difficulty keeping up with their *Ekoukdom* titles, mainly because as *Ekoukdom* they are supposed to dress up and come to work in shiny and expensive cars like CPP councillors. One of them had recently bought a car but said he had no money to pay for petrol. Similarly, although the Chair of Dek district council enjoys the status that comes with the position, he is having difficulty keeping up with the expected ritual. If he is to be seen as the equal of the governor, he needs to drive a car to work not a motorbike. So far, he, like the SRP councillor just mentioned, has been able to buy a car but his income is not adequate to pay for fuel. He told me that most of the time he uses his motorbike to travel

around except for trips to the monthly council meetings or meetings with senior government officials. Official titles and status are highly valued in Cambodia. While this status is often just for ceremonial display, placing importance on outside appearances over substance, it constitutes power and prestige for these officials and consequently reinforces the hierarchy of state officials and the CPP network.

This emphasis on status and titles reinforces hierarchy at the local level that is sharply different from commonly held ideas about public service and accountability. Through their high status, these councillors are visibly and physically removed from 'ordinary' villagers whom they are supposed to represent and serve. Rather, local representatives and elites are linked more tightly to the centre and elevated above the people.

For councillors who are also local businessmen, this state of affairs provides an important official title that could enable them to do business. So far there are very limited numbers of businessmen entering local politics, unlike in the Philippines or Thailand.[29] But for those who have done so, this status gives higher access to the network and people who can give them government contracts or business permits. One councillor who is a businessman in the provincial council feels that he was given the position because of his generous contributions to the government and the party whenever they needed him. Behind his motivation to support the CPP's work is the desire to be in the party network and to gain preferential treatment. Before becoming a councillor, he owned a drink shop where he regularly supplied goods to the government and the party. During my interview with this councillor in 2011, he expanded his business to managing a fishing lot that he had been awarded by the government. A businessman turned provincial councillor explained how he gained the position:

> I own a drink shop and recently won a fishing lot contracted with the government. I have been active in supporting the work of the party and as a son-in-law of a former deputy provincial governor, I was given this post. I think this position is a token from the party for my service and contribution. I want to work with the government. It feels good to be called Excellency and to earn some money too. (Male provincial councillor, Province A, 14 February 2011)

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[29] For Thailand, see Phongpaichit and Baker (2000) and Agriros (2001). For the Philippines, see Sidel (1997) and Lange (2010).

It is clear that in recent years the political and economic elites are merging at the sub-national level as well as at national level. These people might have different interests than the retired and elderly civil servants represented in the councils, but as of now, they are completely co-opted by the system and are there in politics primarily to expand and protect their businesses.

For opposition councillors, the title acquired with this position gives them freedom to interact and get closer to the people. Otherwise, they have to do it secretly or hide their identity from the people, given the tight control of the CPP which exposes both opposition activists and citizens to harassment and intimidation. A council position is also an important motivating factor for opposition parties as there are limited prospects for the party to offer jobs in the government or financial benefits that can help them to recruit new members. People who are selected by their parties to be in these councils consider themselves 'lucky' especially in comparison to their colleagues who do not have any position or receive any financial support from the party. As one of them told me:

> I am lucky to be in the council position. At least there is a formal title and some revenue to support my work. Before becoming a councillor, I had to spend my personal income in doing party work. Also, as a councillor I can introduce my name and my title to people when I meet and talk to them about their problems. They feel more comfortable talking to me. I can also travel where I want without fear. (SRP councillors, Dek district, 30March 2011)

Finally, in addition to the desire for personal gain, the councillors identify nationalism and wanting to help develop their region of birth as factors that led them to be in the council. However, in the two fieldwork districts, this motivation is strong among only a handful of councillors: a female councillor, some SRP councillors, and a CPP council chair. A majority of councillors live and were born within the jurisdiction of the councils they serve. There is a sharp difference, however, between how CPP councillors and SRP councillors see nationalist actions. CPP views of nationalism are about peace, social stability, order, and development which have strongly been credited to the leadership of the Prime Minister. The SRP orientation to nationalism is to challenge and change the current government on border issues, Vietnamese immigration, human rights, abuse of power, and corruption. Some accounts from these councillors are:

I wanted to continue my study and did not want to enter politics but due to poverty I quit after finishing primary school. I own a small business but face problems with authorities who harassed and looked down on me. I then decided to enlist with the opposition party in order to fight against the government in power, to stop them from looking down on the people. (SRP District Councillor, Dek district, 30 March 2011)

I want to serve my people and nation. I have always stood against the aggression of foreigners on our land. I have been with the opposition party since the early 1990s because it wants to help people while the CPP is authoritarian and violent. (SRP Provincial councillor, Province B, 19January 2011)

We can conclude that the main motives for becoming district and provincial councillors are related to obtaining official title, social status, sinecure and financial benefits that are different from ideas of being of service and accountable to rural people. The promotion of title and status by the government through these local council institutions is deliberately intended to bolster the existing hierarchy at the local level rather than reducing it.

5.4   District Councils' Goals for Decentralisation

Although their members are chosen as trusted party members, the district councils have a number of goals that potentially conflict with the central government and the ruling CPP. The council's first goal is to have its own budget to support its day-to-day operations and, more importantly, to implement development projects in their locality. The situation at the district level is quite desperate as they do not have a budget and have to entirely depend on others' contributions. From the election of the councils in May 2009 until the end of 2013, districts did not have their own budgets and accounts as the legal framework governing the sub-national financial and budgetary system was still being contested at the central level. However, a small amount of capital fund, mainly coming from SIDA's USD4 million contribution, was allocated to the District/Municipality Fund (DMF) in 2014.

Before 2013, the district budget was part of and managed by the provincial level (Pak, 2011b). Interviews with officials at district level in the two districts indicated that while district officials received their salary, the provinces rarely covered their recurrent

operational expenses. As for the province, it is a matter of transferring budget authority from the governor to the council because the provincial administration already has a budget, a limited source of revenue raising authority and some expenditure responsibilities (Pak, 2011b, Smoke and Morrison, 2011).

This budget authority issue is very important to the councils for three reasons. Firstly, district councillors feel neglected by the centre and humiliated by the fact that commune councils, which they think of as their subordinates, nevertheless have their own budgets and can implement their own projects. The district as the second tier of local government viewed from the bottom (above only the commune level) needs its own budget and discretion over it if they intend, as the Organic Law says, to deliver public services and be accountable to the communes and the people.

Secondly, the district budget when established would help reduce the burden on officials to provide a wide range of financial contributions currently collected officially and unofficially. As no budget has been allocated to the councils, they depend for expenses like meetings and office stationery on councillors' salaries and the governor's often reluctant support. Currently, operation costs at district level depend on on-going informal contributions in cash or in kind from *samboroschun*[30] in return for services the district provides. These *samboroschun* consist of individuals residing within the district such as businessmen, ordinary villagers, commune chiefs and sometimes high level officials to pay for office expenses, stationery, electricity and so forth. So far, a percentage of the councillors' salaries is kept by the district administration to contribute to Red Cross activities and the fund to support fighting around Preah Vihear with Thailand. In Dek district, deductions are made from councillors' salaries to pay for operational costs of the district (10,000 riel per month per person) and to pay police for their security services for the district office (5,000 riel per month per person). In one month about 10% of their salary is deducted for these various purposes. In 2012, the governor of Dek district collected USD100 from each councillor to pay for renovation costs of a large meeting room to be used for council monthly meetings. The council members were not happy that they lost one month of their salary but this was not negotiable if they wanted a room to conduct their meeting. In Thmar, councillors' salaries have not been used as the district

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[30] See definition and discussion of this term at the national scale in Hughes (2006).

governor is able to mobilise adequate revenue sources to cover such expenses. The council chair has an office and for the council monthly meeting the council uses the district meeting room. In addition to these contributions, CPP officials are also expected to contribute to party work regularly for social assistance or for local activities. As council members are yet to find opportunities for corrupt practices, all these anticipated contributions to the office and the party come directly from their own salaries.

The way this contribution works is directly connected to cultivating loyalty to the party network. Almost all CPP members, including poorly paid civil servants around the country, are expected to contribute between USD10 to USD50 per month (depending on officials' position) to party work or their immediate boss's political activities (Craig and Pak, 2011, Eng and Craig, 2009). One's ability to contribute and one's willingness to contribute reflect one's own power, prestige and reputation (Craig and Pak, 2011:222). While publicly this contribution is promoted by the party as voluntary, there is immense pressure within the system for people to respond, contribute and feel part of the party solidarity. Officials, when interviewed individually, were not happy with this practice, and often complained about it, but if they challenge it openly they will not survive. Many officials contribute as much as their positions require simply because they cannot bargain with the party and because they are seeking favour. So far it is an effective way of keeping officials in the system as once they get in and are given favours and positions by the party, they cannot get out. For the district councils, having a district budget means fewer burdens on their personal incomes for such contributions. A female district councillor offered her account about her donations, but had no idea whether they were being used effectively:

> I was a commune's gender officer before promotion to the district council. Back then I only made 80,000 riel per month [USD20]. Now, the commune chief is very jealous of me (as I receive USD125), but he does not know that here I have to contribute from my salary to various expenses such as operational expenses, party work, Red Cross, expenses for organising council monthly meetings [basically buying water and snacks for the meetings], and office renovation. Recently, US$100 was collected from each of us and with some contributions from provincial party officials it was meant to renovate a meeting room so that council members can use it for our meetings. (Dek district, 29 March 2011)

The third reason that having a budget is very important to the council is jealousy and discontent toward central officials whom they see as working in air-conditioned offices and driving 2010 series cars while local officials ride old bikes and work without air-conditioning. There are so many stories they shared with me about how this or that official made money from this or that deal. There is also a sense of resentment toward central officials. For instance, a chair of a district council told this story to his councillors during a council meeting:

> One day I was invited to a chat (*somneahsomnal*) with the Minister of Public Works and Transport at the province. The Minister told us [the CPP local officials] that in future he will only maintain national roads while the provincial and other local roads get transferred to us at the local level to manage. At the end of the meeting, the Minister handed out 10,000 riel and a sarong to the crowd. I just walked away afterward and did not stay for the feast. (Chair of district council, Dek district, 12 January 2012)

Certainly, there are some tensions and coercion in the existing system but as this story shows, local level officials have no power to negotiate or demand better arrangements from the higher level. And as we have seen in Chapter 4, decisions about power and resources to be transferred to local governments are shaped to a large extent by conflicts at central level -particularly between the Ministry of Interior and the Ministry of Economy and Finance. The most that local governments and their associations can do is complain quietly, show respect and walk away – reflecting how little power local officials have and further limiting their political actions which are critical to strengthening the political authority of rural people they represent.

On the one hand, councillors are optimistic that they will have a budget because the Organic Law 2008 requires that each council have its own budget, and commune councils already have both administrative and development budgets. On the other hand the councillors are aware that there is little willingness on the part of the central authorities to share their revenue and power with the local level. Some district and provincial officials who have had long memories of the governance system feel strongly that this decentralisation programme runs counter to what had happened at sub-national level over the last twenty years. A former provincial deputy governor, currently chair of provincial council, told me:

Since 1993 everything has been concentrated at the central level. Before 1993 under the State of Cambodia period, the provincial level had a budget and discretion to build or renovate one to two kilometres of road. We collected substantial tax and revenues for our own needs. Since the reform of 1993 and subsequent public sector reforms, we lost most of the power to the centre. Five meters of road renovation needs to be approved from the centre and implemented by the central ministry. Now we don't have anything but when we need something we have to ask from central level.

During the past when government introduced reforms no one came to teach us about how to implement them. We did what worked best for us and the centre was always OK with that. However, the way this decentralisation is implemented is very different from before because we only do what is instructed from central level and with clear legal guidance. (Chair of provincial council, 14 February 2011)

As this quote suggests, local officials clearly expect more centralisation. Although some resources and authority may be devolved as a result of governance reform supported by aid donors, the reform is implemented by a government concerned to promote centralised control, as discussed in Chapter 3.

The council's second goal is to be informed about (*ktabsnankar*) activities taking place within the district with the aim to 'clean up' internal problems and 'improve' bad elements before the problems get exposed by the opposition parties to the public. The council has power over the board of governors and administration according to the Organic Law. Also, in the eyes of the party, the council has responsibility to monitor (*tamdarn*) which is weaker than scrutinise (*sear reurtroutpinit*) the activities of the administration to ascertain that each level of government functions smoothly and effectively, and resolves any conflicts or problems without having to report upward. The significance of this goal underlines the growing strength of CPP as a dominant party, and its ability to manage internal party conflicts and to weaken potential oppositional forces. Here are some remarks on this subject from the district councils:

We are politicians and are appointed by the party. We will collect information from the people about how officials are doing, and if any official is not doing the right thing we will bring it up and tell him directly. Because now everybody in the

government is *kneaeang* (ours) and there is no opposition. (Chair of District Council, Dek district, 12January 2012)

Decentralisation is the goal of the whole country as is the government's policy – the Rectangular Strategy.[31] Our people have complete freedom, for example public forums and the accountability box. We encourage them to speak, we tell them there is nothing wrong in speaking, no one will be harmed for speaking up. We don't want them to feel hopeless, afraid and scared to talk. The Organic Law wants us to be closer to the people because we want them to have power and not be afraid of us. When people are not afraid of us they will listen to us, come closer to us and tell us their problems.

The CPP is not afraid to lose elections. We think about the people. We want them to know us so they will vote for us. Here at the local level we make sure no one goes hungry and we collect money to contribute to funerals. We make sure we do what our people want us to help them with. If we don't do our job well the party will remove us from our position. That is why I cannot make a distinction between working for the government and working for the party. (Chair of District Council, Thmar district, 03 March 2011)

The council's goal to monitor the work of the district administration is mainly related to providing information about the local situation and performance of officials to the central government but is different from the ideas about democratic accountability that western donors are promoting in Cambodia. Information about the performance and loyalty of local officials is essential for the centre to discipline and control local officials, particularly MOI as discussed in Chapter 4, as a crucial strategy for mobilisation of popular support where officials are required to coordinate with central party officials to deliver development projects.

The third goal of councillors from opposition parties is to bring the concerns and problems collected from citizens to the attention of the district council and higher level government

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[31] Rectangular Strategy for Growth, Employment, Equity and Efficiency is the official name of the government's main socio-economic policy agenda for 2008-2013. It emphasizes four priority areas in agriculture, infrastructure, private sector development, and capacity development, and good governance is at the heart of the strategy.

for action. As opposition members they are expected to play the devil's advocate, to criticise government, to demand transparency and fight corruption, and to make the government accountable for its actions. They aim to collect information from citizens about their complaints and to monitor the performance of boards of governors and the administration. The following remarks highlight this goal:

> I think if we don't get close to the government and power-holders we cannot help the people. As a party official I cannot help the villagers to solve their problems but can only advise them on legal options. Moreover because we don't have power as party activists it is difficult to visit and talk to villagers. Now as district councillors, we introduce who we are, ask them to tell us their problems and we can bring their problems to the district councils and governors for solutions. (SRP district Councillor, Thmar district, 26January 2012)

Some SRP councillors whom I interviewed commented that this council and decentralisation is a step forward taken by the government, and they think that they have a chance to be part of government decision-making and an opportunity to speak up for the citizens and make their CPP counterparts pay attention. Their present participation in commune, district and provincial level governments have so far enabled officials and activists of opposition parties to represent their parties publicly when meeting with local people. They further acknowledge greater opportunity for their movement and activities within the local political sphere. Prior to decentralisation, one SRP councillors told me:

> We had difficulty meeting with local authority not to mention posing questions. We had to depend on international broadcasters such as the Voice of America and papers of the opposition to ask questions and report bad incidents. But now, we are part of the administration. (Male SRP district councillor, Thmar district, 26 January 2012)

While the opposition parties can take advantage of elected institutions such as district councils, these institutions can also be used by the dominant party and its powerful network to co-opt other social forces into controllable and non-confrontational forms of political contestations.[32] However, as we shall see in Chapter 8 which discusses the participation and accountability relations within the districts, the CPP encourages

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[32] See for instance Rodan and Jayasuriya (2007).

opposition parties' councillors to supplying information about citizens' problems and their officials' performance in the council meetings is mainly oriented toward helping the CPP to strengthen its effectiveness: the ability to get things done, rather than representing a plurality of agenda items or empowering critical voices capable of challenging the CPP's neo-patrimonial order.

The final goal is articulated by female councillors who aim to build capacity and improve their negotiation skills so that they can provide better advice and support to women in their community. Female councillors at district and provincial levels are assigned to be responsible for affairs concerning women and children according to the Organic Law 2008. There is also a Women and Children's Committee of the council whose membership comes from all relevant institutions from the administration and is chaired by a female councillor (if there is one). This is the only council committee that is directly under the council and chaired by a council member; the other two committees on technical management and procurement are supervised and chaired by the district governor. In both districts, the female councillors share this common goal, as one of them told me:

> I don't know much about law. I hope to attend various training sessions, to learn more about laws and to improve my self-confidence. Right now even when I know that administrative and police officials are not doing their job properly when women in my community need their assistance, I feel I have no capacity to challenge them and get them to do their job properly. Right now I am not of much help when I am asked by female victims in my district as nobody listens to me. (Female district councillor, Dek district, 10January 2012)

Clearly the goal of female councillors is to have greater power so that they can act independently as representatives of their constituent demands as well as exercise effective scrutiny over the administration. Their real challenge in promoting the rights and welfare of women and children in their jurisdiction is not simply their lack of capacity and negotiation skills. It is more about the relative lack of power and resources to carry out their actions that fall within the scope of authority of the women and children's committee in particular and the district council generally. Indeed, as one of the female councillors

explained to me: 'Despite having district councillors, the authority remains vested in the hand of state officials [board of governors], but not with the people's representatives.'[33]

5.5   Conclusion

Councillors in Cambodia's district and provincial level are elected by the commune councils on the basis of their rank within a party list system. More importantly, officials are selected to become district and provincial councillors on the basis of their proven affiliations and loyalty to the party and their rank in the administration and not on the basis on their capabilities needed for the jobs. The government and the party do not see decentralisation as an exercise in democracy. The way in which this indirect election is conducted can be compared to a selection process of higher party members by lower party members. Moreover, although the party makes the final decision about who is appointed to the councils, the new appointment process includes consultation of local party officials about who should be appointed. This speaks to the ability of the central government and the party to maintain strong political control over these local councils.

Despite contrasting economic performance in the two districts I studied, the characteristics and profiles of the councillors which have been selected are virtually identical and are consistent with other districts across the country, according to my conversations with MOI and NGO representatives as well as studies by Kim (2012) and Pak (2011a). These councillors are predominantly old retired male civil servants who have been with the CPP since the People Republic of Kampuchea times but are much less familiar with Cambodia's recent development than the new generation of bureaucrats. The government and the party see the councils as offering them an opportunity to replace people to whom the party owes a favour but who do not make money for the party. Specifically, the chairs of district councils are always trusted party officials who are seen as honest and not associated with corruption. Councillors view the position as a sinecure and a reward from the party for their loyalty. Consequently, there is little motivation for them to do the job, and officials who are part of the party's powerful network and have access to wealth choose not to become councillors. Even those officials who were selected by the CPP to become councillors, often against their will, do not believe that they are empowered to represent the interests of the people. Besides emphasising their lack of belief in democratic

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[33] Interview with CPP female district councillor, Dek district, 10 January 2013

representation, the main motivations for becoming members of the councils are status and financial benefits. In other words, district and provincial council institutions are consistent with the existing system of governance promoted by the government and the party based on the promotion of hierarchy and informal networks of loyal officials, where that exercise of power and authority comes down from the top. It is clear that those in power in Cambodia do not view district councils as an exercise in democracy.

In conclusion, it is clear that councils are unlikely to challenge the existing power hierarchy and demands imposed by the centre in the name of their constituencies, as the power to appoint, discipline and remove members of these local councils remain firmly in the hands of the government and the CPP. Nonetheless, district councils articulate a number of goals that potentially conflict with those of the government and the party. These include having their own budget, more power for female councillors so that they can serve their constituents, and providing information about local development and performance of local officials to higher level, and scrutinising and checking government power by representatives of opposition parties.

In short, the hopes of donors for independent and empowered councils at sub-national levels have been misplaced. The capacity of these local elected bodies to exercise democratic accountability and participation is limited at best because the candidate selection process and the use of an indirect election system do not encourage bottom-up accountability. Instead, they strengthen the power of the CPP at the local level. The granting of titles and status to councillors further removes them from the local constituents they are supposed to serve. This is combined with their continuing and widespread reliance upon vertical hierarchical structures for power and influence rather than on downward accountability. These features of district and provincial councils also have a significant effect on their relationship with the district and provincial board of governors comprised of high-ranking officials of the central ministry associated with all the power and prestige endowed with the titles.

The next chapter will examine the boards of governors' characteristics, duties and aims for decentralisation before going on to discuss the relationship between the councils and the administration in Chapter 8.

Chapter 6   District Administration: Boards of Governors

In any local government system, elected councils have to work with a group of appointed officials led by governors/mayors who might be appointed or elected in order to implement their policy and decisions. In turn, governors are expected to work under the direction of the councils and to oversee the day-to-day operation of the government. In a system that specifically aims to empower local government, governors are either elected or appointed by the councils in order to ensure that the councils have considerable power over the administration and can hold the governors answerable for their performance. This is desirable as it strengthens accountability of state officials to elected representatives but it will also tend to reduce the influence of central government.

In Cambodia, personnel at the district and provincial levels are all appointed and managed by the Ministry of Interior (MOI) rather than by the councils although the Organic Law 2008 requires that they be accountable to the district and provincial councils. In fact, these councils have been stacked with loyal CPP officials, and are expected to follow the CPP party line. This can also be expected to be the case for the relationship between the board of governors and the centre. The reorganisation of district and provincial administration under the decentralisation programme is unlikely to strengthen the accountability of government officials to elected representatives. This is because the functions of these administrations, their appointments, their relationships coupled with the power to control the formal and informal institutions continue to be dictated by MOI and informal networks of party patronage. Nonetheless, the promotion into these sub-national administrations of young, better educated bureaucrats who are more knowledgeable about contemporary development than previous generations of officials creates an opportunity for better state capacity.

This chapter discusses the functions and authority of governors as exhibited in the new decentralised structure and processes, as well as their roles in the party, and their interaction with the power hierarchy. It details how these functions have evolved before

and after decentralisation has been implemented. The chapter then examines the governors' activities and the pressures they face as they go about their duties. As the decentralisation progresses and other changes occur in Cambodia, it is interesting to reflect on how the governors' roles and activities have changed and what sort of issues arise which might conflict with the attempt to make them accountable to the district councils. Finally the chapter looks at the governors' understanding and involvement in district decentralisation and especially how they view their roles and relations with the councils and what they are going to achieve that is different from before.

6.1   Characteristics of the Board of Governors

The institution of the district and provincial board of governors (BOG) was created in 2009 after the district council replaced the previous governor's committee. The board of governors comprises a governor and several deputy governors. There have been two main changes to this composition as a result of the district decentralisation. One was the appointment of new district governors, often a reappointment and a promotion from deputy governors as the incumbents were moved to become the chairs of district councils. Second was the mandatory inclusion of a female deputy governor in each of the boards of governors, allowing women to be part of the group for the first time, although in the districts that I observed, women generally took on junior positions and mainly dealt with issues relating to women and children. All the district governors in Cambodia are male except for one district in Takeo province. Finally, the Organic Law requires that members of the boards of governors be high-ranking officials of the Ministry of Interior and be appointed for a four year term by the government.[1] In essence, the restructuring of district and provincial administration maintains the previous MOI-appointed administrative officials who retain traditional titles associated with power in the jurisdiction.

Members of the board of governors are aged between thirty-five to fifty-five years old and are therefore much younger than the district councillors who are mostly retirees.[2] A number of them are also graduates of the government's Royal School of Administration (RSA), which provides mandatory training for high ranking MOI officials, while those in

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[1] Article 141 states that governors of the capital and provinces are appointed by a Royal Decree of the King; deputy governors of capital and province, and governors of district and municipality are appointed by a Sub-decree of the government; and deputy governors of district and municipality are appointed by a Prakas [a ministerial proclamation] of MOI.
[2] Survey of NCDD published district/provincial data book available on www.ncdd.gov.kh

the previous generation rarely had such qualifications. Compared with district councillors, they are thus relatively well-educated and better trained. Some governors also have or are currently pursuing Masters and PhD degrees from local universities, as part of the Cambodian elite's new-found social status. Most deputy governors have also had some training in administration, and some are currently taking RSA courses. It is not surprising that those officials at the sub-national level want a higher degree title because most provincial and central government officials are also trying to get as many degrees as possible to be included in their official titles like '*ekoukdombandith* (Excellency doctor)'. For instance, Prime Minister Hun Sen and his wife and some CPP tycoons all hold doctoral degrees.[3]District governors want to hold higher educational degrees with the aim of positioning themselves better for promotion and salary grading as well as to attain the social status attached to the title, but much less about improving their capacity to do their job better.

Another key characteristic of governors and deputy governors is that they no longer belong to the generation of officials who owed their power and positions to their sacrifices during war-time and for the revolutionary cause. Nonetheless, they all have strong party credentials and have been with the government and the party for a considerable time. Some of the governors and deputy governors I interviewed had been members of district militia, teachers, officials of the People's Committee during the People's Republic of Kampuchea era (1979-1990) provincial administrators, or MOI central officials. Even the youngest governor had worked in the province and district for at least ten years and most of them for over twenty years before they were promoted to be governors and deputy governors. Both of the district governors in the case studies became deputy governors in 1999 while one deputy was promoted to be governor in 2007 because the incumbent was ill. The other deputy governor was promoted in 2009 because the governor was transferred to become chair of the district council. These promotions are viewed as expressions of gratitude from the party, and as favours for their loyalty and sacrifice during times of hardship. This strategy works well for the party as it reinforces the dependency of civil servants on their CPP patrons and creates an expectation that this is the only way to survive and prosper in public office. However, this strategy contradicts the meritocratic promotion method of modern public management, and it also poses a constraint on the

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[3] See Nou and Wallace (2011).

pursuit by younger and emerging qualified candidates of careers in public office without having cultivated personal relations within the informal CPP network.

All members of the boards of governors have a strong affiliation with the CPP and are closely connected either to provincial or central level patrons. Their interactions and networking with various actors at different levels depend on each potential patron's involvement in their promotion and appointment. For district governors, their most important patron and backer is the provincial governor because he alone has the authority via MOI to discipline and fire them. District governors have to accompany provincial governors on local visits to show their loyalty and support, and always request and defer to their guidance before making decisions. All the district governors fear provincial governors because these men are the heads of the CPP provincial branch with powerful authority over civil servant appointment within the province. One of the district governors explained to me that his candidature proposed by the provincial governor was not supported by a central CPP senior official assigned to the province who instead had proposed his own relative for the post. The case required some CPP intervention at a high level and the provincial governor won because he is not just a governor but also an advisor to Hun Sen. A large sum of money changes hands in this type of appointment and the position, once gained, involves making ongoing contributions to the party and the patron, as will be discussed below. One deputy governor was inserted into each district and province as part of the quota from the Funcinpec party in 1993 through the political coalition deal between the CPP and Funcinpec. These individuals are not active and are not given much responsibility and they seem to occupy the post these days merely for sinecure and salary. There is only one deputy district governor in Dek and one deputy provincial governor who are known as Funcinpec officials, but I was told they have now switched to CPP since 2008 given the bleak future of their party, discussed in Chapter 3. As a result, the CPP has once again claimed monopoly control over sub-national administrations at district and provincial levels.

Besides the provincial governors, the district's BOG also builds good relations with central CPP patrons and MOI officials. They attribute their chances of being promoted and maintained their positions to their ability to create strong links and trust with the CPP and MOI officials responsible for the province. Boards of governors would like to have strong backers (*knangkras*) and it is even better if they are related to a powerful central patron as it yields them higher legitimacy than boards which lack such backers. A district governor

who is related to a CPP high-profile patron, for example, is perceived as more powerful and resourceful than others. Any member of the BOG who gets along poorly with provincial or central patrons would be demoted.

Outside the bureaucracy, officials within the board of governors have to cultivate close relations with non-state actors, particularly in the business community. Governors need businessmen to provide resources to enable BOG to pay for district operational expenses and other party activities. Businessmen depend on the district and provincial administration for permits, certifications and concessions. With the growth of the private sector fostered by the ongoing economic boom, these relationships are becoming increasingly important to the government and the party as a crucial, new-found source of finance for its rural development programme.[4]

The other important characteristic of the board of governors as compared to the district and provincial councils is that they are officials who also have close interaction and relations with the commune and village levels as they seek local cooperation and compliance, and value linkage to grassroots and villagers. As the CPP already controls and co-opts most of the local leaders in commune councils and at the village level, the network between district and local leaders is relatively easy to maintain.

Another point worth noting is that the district leaders not only work closely with local authorities; they also have good connections with monks and abbots of local *wats* (temples) as it is understood that *wats* provide legitimacy to the ruling party, and bases for political campaigning. The district leaders also work with representatives of line offices such as the education office, to mobilise support and contributions for CPP activities from teachers who form the largest body of civil servants. Because most teachers are CPP members, the party is able to use this force to help them deliver political messages and to support the CPP in raising party funds for development projects from students and parents. During the harvesting season, the BOG and key officials from the district administration including teachers go down to the villages briefly to help people harvest their crops.

To illustrate this discussion what follows is a brief account of the background of two district governors. The man I call Mr Mab is 39 years old and is the governor of Dek

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[4] A recent World Bank report (2011a) shows that private contributions and political party provide the bulk of finance for local development projects. This finding is also in line with the study by Pak (2011a).

district. He survived the Khmer Rouge era as an orphan living in an orphanage centre in Phnom Penh. He worked and studied hard and through his own ability was admitted to the government's prestigious Royal School of Administration which trains people to become high ranking officials. He was one of the first graduating class from the school; they are now being posted as governors and deputy governors around the country. Mr Mab's first job after graduation was as a junior official at the MOI central office in Phnom Penh. He was then asked to do an internship at the provincial level where he had the opportunity to work closely with H.E. Korn, the deputy provincial governor who has since looked after Mr Mab as a god-father. H.E. Korn provided opportunity for Mr Mab to learn from him the skills needed to become a member of the board of governors. Mr Mab spent six years working in the province office as Mr Korn's personal assistant. In 1999, H.E. Korn was promoted to the rank of provincial governor. In the same year, Mr Mab became deputy district governor of Dek district, and stayed there until 2009. During this time, Mr Mab demonstrated his ability in the job and was also able to support and finance the work of the provincial governor for the party. Mr Mab was proud to claim that he had as much power as Mr Sar, the governor, because he managed the district's economic affairs and business deals. As noted in Chapter 5, Mr Sar was selected to be chair of district council in 2009 and is known to be honest and also the poorest governor in the province.

When the provincial governor promoted Mr Mab to become district governor of Dek district in 2009, he told him that he would benefit from staying there in light of the potential income sources he could have when an abandoned regional airport was reopened. This was not an easy or pleasant promotion as there was and still is jealousy from the current governor, and there was also fierce disagreement and competition from other candidates backed by senior party officials. Mr Mab said he would like to be governor in the adjacent district because it has economic activities (garment factories and large land transactions) and it is closer to home, as his family lives in Phnom Penh and he often has to commute between the district and home on weekends. Since taking up the role of governor, Mr Map has used his personal wealth to put up a new fence for the district office while the office building is very old and lacks equipment.

Mr Mab distinguishes himself from Mr Sar (the previous governor and current chair of council) and the rest of the councillors in terms of his capacity to understand law and

government policy given his higher education achievement and close connection with the provincial governor.

In the other district, the governor Mr Rouen is 50 years old and was born in the district. He has Chinese ancestry, and the deputy provincial governor refers to him as 'being smart at making money,'[5] and because of the proximity and relations with Vietnam he speaks both Mandarin and Vietnamese which further enhances his ability to build good relations with local and Vietnamese businessmen. After the Khmer Rouge era, he was a primary teacher and later became a school principal. He was asked to work in the district office in 1993 as the district controller, looking after tax collection and budget management. He is also a graduate from the Royal School of Administration.

Having gained trust and good working relations with officials at district and provincial levels, he was promoted to deputy district governor in 1999. During this period, he was assigned to take care of economic affairs of the district. Due to the poor health of the district governor who rarely came to work, Mr Rouen was able to play important roles in the day-to-day affairs of the district. He was also seen by villagers and businessmen as possessing more power than other deputies (including Mr Keut, who was then promoted to the chair of the district council) and even the governor because he had information about economic activities and an extensive network. For instance, when businessmen and villagers made loan contracts they came to him for signature and witness. When wealthy people have difficulty crossing the border either for health check-ups or business reasons, they could use his name or ask him to write a note or have him call the border officers, which would ensure passage.

He also had close connections with big business enterprises in Cambodia and in Vietnam. Before the opening up of the border with Vietnam in Thmar district, he had prior information that enabled him to secure large plots of land which he then sold to casino and hotel investors in 2007 when the border area became a special economic zone.[6] He also

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[5] Interview with deputy provincial governor, Province B, 17 January 2011

[6] The opening up of the border has enabled some individuals and groups to benefit but it also presents challenges to several local businesses and district offices. An official of the Office for Mines and Industry explained that the fact that Vietnamese footloose traders are allowed to bring in their goods and sell in the district at cheaper price than local goods hurts local business, and given weak regulations the district specialized offices find it difficult to enforce quality control and collect taxes from these traders. It also presents challenges to the office to build relationships with local shops and businesses.

benefited considerably from certifying and sealing land deals during the land boom in the early to mid-2000s. As a result, he may well be the richest man in the district and is certainly much richer than any of the officials in the district office. He is one of the new rich (*neakmaenthmey*) reaping opportunities from Cambodia's economic boom. He has also been seen as very successful in securing financial and material support from businesses in the area to renovate the district office, and to equip it with fax and photocopy machines, computers, and loud speaker systems bearing the names of *samborouschhoun* (benefactors) and he was also able to pay for his personal assistants and staff in the office. By contrast the Dek district office 'has little except desks, chairs and documents', as Mr Mab complains.

In that same year, Mr Rouen was also promoted to be district governor when the current governor's health deteriorated. He was confirmed as governor in 2009 when the new structure was set up along with the creation of district council which is now chaired by his deputy, Mr Keut.

In summary, the district executive team consists of officials who are younger, better educated, and more experienced than their predecessors, alongside high-ranking government officials whose official titles and broad networks give them more power and status than the district councillors. All members of the BOG and its personnel are strongly connected to and dedicated members of the CPP. They have been appointed to head the administration because of their superiors' trust and their generous contribution to their superior and to CPP activities. A good governor depends on his reputation for managing an effective administration, namely keeping his staff content with their jobs by being generous to them, and having secured a high level of trust by senior officials.

6.2 Duties and Activities of the Board of Governors

The Organic Law 2008 for the first time provides a legal framework for the role and authority of the district administration and recognises it as a level of government with its own budget. It also outlines in some detail the duties and powers of the district board of governors. It gives the district governors day-to-day power to administer the affairs of the

district on behalf of the district council and on behalf of the central government.[7] With respect to the board of governors' duties in advising and supporting the district council, they are to 'prepare and submit to the council for consideration and approval' three-year investment plans and budgets, five year strategic plans, and annual council performance reports for public dissemination.[8]These comprise the main functions of the councils at present. The Board of Governors is charged with proposing the plan and strategy for consultation with the population, and may also carry this out directly on behalf of the councils. The Board of Governors is tasked with organising implementation of the various work plans and decisions of the councils. The BOG and its staff are also tasked with supporting the councils and with organising monthly meetings. This wide range of duties and powers currently granted to the board of governors suggests that it does most of the work of the councils. However, the law makes almost no mention as to what means the councils have to discipline the board of governors if their performance is found unsatisfactory except by informing MOI which also has the power to sack councillors and dissolve councils.[9] Chapter 8 will discuss the relationship between councils and board of governors in their everyday interactions.

The Organic Law also requires the board of governors to represent the government and its ministries for the power and duties of central government.[10] As government representatives at the district level, the BOG are also expected to be accountable to the central government on 'issues related to security, social and public order, law, and human rights within its jurisdiction'.[11] In this respect, many of the key deconcentrated functions for the board of governors remain the same as they were before decentralisation. Furthermore, the fusing of these dual duties – being accountable to the council and at the same time representing the central government – is also problematic when the two distinct roles are not clarified in the Organic Law.[12] The law does not acknowledge this problem and fails to distinguish between local authorities with locally elected councils on the one hand and state structure at sub-national levels on the other. This problem is exacerbated by the use of the phrase 'unified administration' in the Organic Law[13] which suggests that

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[7] See Article 154 and 155 of Organic Law 2008.
[8] Article 163 of Organic Law 2008.
[9] Article 152 and 24 of Organic Law 2008.
[10] Article 153
[11] Article 154 of Organic Law 2008
[12] Interview with Leonardo Romeo, UNCDF Technical Advisor in Cambodia, Phnom Penh, 7 March 2011.
[13]Article 8

both of these administrations consciously unify their activities, and thereby conceals the differences between them. This has had significant effect on the overall impact of deconcentration for allowing the local authority system to develop as autonomous local government. With governors being appointed by MOI and continuing to act as state representatives, it is clear that the local authority is an instrument for the local implementation of national policy and ambition rather than being able to generate its own policies and vision. The implications of this arrangement for the district's systems for finance and planning, for instance, will be examined in the next chapter.

Supporting the work of the BOG is a group of district (*salasrok)* personnel, all of whom are civil servants paid by MOI. There are three units within the *salasrok*: an administration and finance unit responsible for overall administrative and financial management of the district; a planning and investment unit responsible for local planning and oversight of the development budget; and a commune/*sangkat* support unit expected to liaise, monitor and provide training to the commune/*sangkat* councils. Recently, a fourth unit for procurement has been created in each district. Each of these units has from three to eight officials. In addition to MOI civil servants, MOI has recruited and appointed a full-time advisor for each district to support and assist the BOG and the councils in carrying out tasks required by MOI under the decentralisation programme. This person was centrally recruited with decentralisation experience and computer and English skills and is provided with a monthly salary of USD400 per month. The experience from the commune decentralisation is that the advisors, instead of advising and assisting, ends up carrying out tasks for the commune councils, and act as watchdogs for provincial and central government levels, ensuring that the commune councils strictly follow laws and guidelines.

Essentially, while there are changes in the forms of the administrative structure, so far there has been little change in how these sub-national officials perform their duties or to whom they are accountable. Officials and the boards of governors working inside the districts where I conducted interviews in 2011 and 2013 maintained that they continue to do 'business as usual', although they recognised that their activities for the councils related to developing district plans and reporting are relatively new. With regards to activities in relation to the district councils, they prepare reports, organise and attend council monthly meetings. So far they have also prepared councils' five year plans and

three year investment plans and budgets. Chapter 7 will discuss the process and the actors involved in the preparation of these plans.

With respect to district and commune relations, the boards of governors continue to play coordinating and supporting roles in the commune processes just as they have done since 2002. These include organising the annual District Integration Workshop in which commune plans get consolidated into a district plan, monitoring the commune bidding process, supporting the communes in project implementation and providing training. District responsibilities with regard to the commune are expected to increase as duties are being transferred from the province to the district's Unit for Support of Commune/Sangkat identified in the government's Ten Year Plan for decentralisation and deconcentration (Government of Cambodia, 2010). As of now this newly created commune support unit is under-staffed and under-funded, and this, combined with the end of the donor-supported structure and its financial incentives from the Project to Support Decentralisation and Deconcentration in December 2010, caused delayed in the work of the commune/*sangkat* councils in developing their plans and implementing their projects.[14]

In its roles as representing the government over security and social order, the BOG as commanders of district unified armed forces hold weekly meetings on the security situation and political activities with police, military police and the Royal Armed forces,[15] commune chiefs and some district line offices like land, forestry and fisheries. The purpose of these meetings is for the governors to report or get reports from commune chiefs and the armed forces about illegal activities, conflicts, traffic offences, checking building permits, violent activities, political activities and public order. An important aspect of this meeting is to monitor activities of civil society activists and political parties, curbing public protests or activities that could potentially cause social unrest, and any other acts that could be interpreted as challenging the government.

I attended one of these meetings in early 2011. It was dominated by discussions about a visit of Prince Norodom Ranariddh (the president of the Norodom Ranariddh Party) with

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[14] Interview with Director General of MOI, Phnom Penh, 01 February 2011 and with Director of Department of Local Finance of MEF, Phnom Penh, 03 February 2011.

[15] Police and military police are staff of the MOI, and the Royal Armed Forces are staff of the Ministry of Defence.

his party's supporters in Dek district. The governor was keen that instructions from the provincial governor (and from the Prime Minister) to ensure the prince's safety should be met. They discussed where and what kinds of activities the Prince would do in the district, and how many security officers were to be deployed to the areas. The governor also instructed commune chiefs to provide a report at the next meeting about the event, specifically about who participated in the gathering and what the Prince gave to his supporters. Issues of youth gangs were also mentioned by a few commune chiefs. The district governors acknowledge that maintaining security is one of their most important duties, and that it requires them to be tough and daring. It also requires them to work closely with the armed forces present at the district level.

These security-related meetings have now been closely linked with the implementation of MOI's policy on village and commune safety released in 2010 which aims to have closer engagement between local people and authority in efforts to maintain security and social order. Specifically it wishes to reduce nine illegal activities at the grassroots level: drugs, crimes, gambling, stealing, prostitution, child trafficking, domestic violence, gangsters, and possession of illegal weapons. In implementing this policy, the district governors (and in commune level the commune chiefs) together with police and armed forces are authorised to scrutinise and arrest individuals engaged in suspicious activities at local levels through collaboration with local people to heighten surveillance. In an effort to draw support and mobilise the rural population to implement this policy, MOI demands that district governors and commune chiefs organise village and commune level monthly public forums where the authorities are expected to educate the people about their roles and duties in assisting the government in maintaining security and social order and where the authorities can hear the people's concerns on these issues. In both districts, members of the BOGs complain that they have now spent considerable time organising committees at village and commune level, mobilising villagers to participate in public forums, and setting up neighbourhood watch at night time. For all these activities, the governors report directly to higher level officials at the province and MOI, not to the district councils (although the councils are informed about what they do). So far there have been a number of public forums of this kind organised in both districts. Assessment by MOI shows a considerable decrease of crimes.[16] But independent reviews by local NGOs and

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[16] See MOI's Annual Report on the implementation of the Village and Commune Safety Policy 2013.

researchers raise a number of concerns, particularly bribe collection and tight political surveillance caused by the increased presence of police forces at commune level, as well as discrimination against marginalised groups (i.e. sex workers, HIV affected groups), and unlawful harassment of idle youths (Thomson et al., 2012, CCHR, 2012)

In addition to security-related meetings, the district governors chair monthly meetings at the district level among commune chiefs and all representatives of line offices in the district on development activities in the area. These meetings are different from the previous meetings in that there is no representative of the armed forces, and the focus of the meeting is around livelihood and development activities taking place in each commune and also to discuss problems and needs at the local level. The commune chiefs are expected to provide reports on progress of different development projects using Commune/Sangkat Funds, or NGO-, donor- and CPP-funded projects. It is also a time for the commune councils to report on natural disasters, and on production problems faced by villagers so the district governors can prepare a request for further assistance to the provincial level and also to their CPP patrons. This is an effective mechanism whereby orders and information from central and provincial level get relayed to the commune chiefs and then to the village chiefs and to the villagers. Sometimes these administrative meetings are used interchangeably with the CPP monthly meetings. There the district governors are superior to the commune chiefs, a practice that continues to bolster hierarchical relationships at the expense of the commune authority which is after all an elected representative body of the people.[17]

The superior status of the governors over the district councils within the jurisdiction is manifested in the various titles granted to them such as head of Red Cross office in the district and chairs of several committees in implementing central government orders such as the MOI's village and commune safety taskforce. In these roles, governors engage in various local outreach activities to communities, to businessmen and market vendors, and to school students through various public meetings or gatherings to mobilise membership and contributions.

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[17] See Rusten et al (2004) and Kim (2012).

Female deputy governors are assigned as accountants and secretaries for the Red Cross branch office where they spend most of their time preparing activities and financial reports, visiting members and vendors at markets to collect contributions and visiting and giving supplies to victims of national disasters and their families. When asked about other activities such as commune council work, land disputes and district councils, they mumble excuses that they have not spent much time on these issues and are not much aware of them. This finding suggests that while there are now female representatives within the sub-national executive team, they remain inferior to their male colleagues and have been side-lined from important discussions and activities in the administrations, as have been satisfactorily explained by research studies of women leaders in commune and national level politics in Cambodia.[18]

Further to implementing central policy, the BOG and district officials are required to sacrifice personal time and resources to perform party duties. They go to the grassroots level and liaise and cooperate with CPP central officials visiting villagers, checking on development projects and handing out gifts. Although some claim that they only do their party work during weekends or out of working hours, this is not true. In any public gathering with villagers, they have to insert party campaign messages, reminding people that they represent the CPP and that the CPP is the party that saved the country. In some districts where the party office and district office are next door to each other, there are officials doing voter registrations and membership list updates at the party office while the district office is quiet. During election years, party work takes priority over other official activities and government offices from central to local levels, taking time away from the official duties to be seen as working at the base (as discussed in Chapter 3 and 4).

Governors and district officials spend much of their time serving and following their patrons. They regularly visit provincial towns and Phnom Penh to attend meetings and workshops or go on other visits led by their patrons. The visits are not merely an opportunity to get new information. It is important to them to forego other commitments in order to personally assist provincial governors and MOI senior officials at meetings or during local visits. If they neglect their patrons they can lose their jobs. It is normal, for example, to see many officials accompanying a provincial governor to a road construction

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[18] See, for instance, Kim and Ojendal (2012), Lilja (2009) and Thon et al (2009).

project in the province. Often they have to sacrifice days of work in order to accompany their immediate and higher level boss's visit or gift-giving trip to a far-away province. For instance, a gift-giving visit by the provincial governor in Preah Vihear took almost a whole week of work for district governors and other provincial officials. The Governor of Dek complained about the trip: 'All district governors had to be there with the provincial governor who visited Preah Vihear. I could not miss it. He would have been angry if I did not accompany him.'[19] It is not just a time-consuming duty that officials are expected to do. It is also is very costly as they are expected to shoulder the travel costs personally and share the expenses incurred by the provincial governor. Consequently, as will be discussed in the next section, the boards of governors are obligated to make money to support their own district-level activities as well as to please their immediate boss and contribute to the party-sponsored rural development programme. As another governor explained, to be seen as loyal and capable for the job, he is required to:

> spend less time in the district office than in time travelling between the provincial office and Phnom Penh. My salary is not enough to pay for my car's gas expenses. Every month we spend about one million riel just for the general administrative expenses for this district which all come from our own revenues, not from the government. This amount does not include the expenses for other duties I am expected to perform. You would be seen as incapable (and not trustworthy) if you could not meet the expectations and take care of all the expenses. (Governor, Thmar district, 26 January 2012)

In summary, the BOGs find that their roles have expanded with new duties added to their responsibilities as a result of the commune and district decentralisation which they think give them more work and responsibilities. At least these new tasks are pleasant – working with district councils, preparing and implementing development plans. However, the centre continues to issue tasks which governors and the administration are required to implement. Crucially, governors retain most of the power that they had before decentralisation and they are actually in charge of how the district affairs are conducted. While they are required to answer to the district councils, they also have to answer to ministries as representatives of the Royal government. With responsibility for appointment, promotion and supervision of governors resting with the central government

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[19] Interview with Governor, Dek district, 18 March 2011.

coupled with active intervention from MOI, the government makes it clear that governors are directly answerable to them rather than to local representatives or the public.

In addition to carrying out their formal and informal duties, governors are obligated to raise money through a range of practices associated with corruption and exploitation of natural resources – such as collection of informal fees and contributions from the private sector – to contribute to party-sponsored development projects which are used to elicit votes at election times. The CPP is not rethinking this strategy but has actually institutionalised it as the party has effectively monopolised the state apparatus at every level. The continuation of this practice at district and provincial level militates against the emergence of ruled-based governance and shifting the balance of power from central to local level.

6.3   Pressures Faced by the District Boards of Governors

The BOG faces difficulty in fulfilling its duties and meeting all expectations, and its members are under enormous pressure from various actors and various levels of government. They admit that their official workload is not burdensome but the pressure from the party and political work required of them is extremely heavy and distracts them from performing their official duties. The first pressure relates to making money with which to meet the financial demands imposed on them from above. While the district has some official funds allocated from the central level through the provincial budget, in practice the province did not give any to the district.[20] In Thmar, the district was entitled to 40,000 riel (about USD10) per month from the province in 2012 but it has never received a single Riel from the province. The district governor said he has spent about a million riel (USD250) per month to keep his administration functioning and all of this money comes from the district's own revenue collection. These revenues comprise so-called ink fees[21] which are formal and informal administrative revenues collected by the district for services provided to the rural people. However, a large sum of money comes from informal contributions from ordinary people and businessmen in the area in exchange for protection or favours the district provides to them.

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[20] The next chapter will expand this budget matter in more detail.
[21] In Khmer we use the term 'ink fees' (*thlayteurkbech*) to cover various informal charges users must pay to government officers before their papers and requests are processed. Government officials are not afraid to openly ask for these fees or in some cases they don't ask but they check to see if ink fees are attached to the requested forms. If no ink fees are attached, these forms will not be processed.

Governors are not only expected to shoulder the financial burden of their administrative expenses. They also have to contribute and pay for various other expectations coming from above. Contributing to party expenses and to their patrons is one of the demands imposed by the higher level in order to keep their positions. In Dek, the poorer district I studied, the governor has to spend at least USD700 per month to support various activities of his boss and the CPP. He told me that that this is a small amount compared to the amount governors in more lucrative districts have to contribute, but it is considerable compared to what these people earn as civil servants. A governor's salary is between USD200 to USD250 per month, while a deputy governor' salary is between USD120 to USD160 per month, and other district personnel receive the average civil servant salary which is around USD65 per month.

Governors are expected to shoulder expenses in fulfilling official tasks. Most of the tasks are assigned without commensurate resources. For instance, they have to organise and pay for expenses related to monthly public forums with their people as part of their duty to disseminate information about and mobilise public participation for MOI's village and commune safety policy. During my fieldwork visits, district governors were also asked to recruit a dozen soldiers for the Ministry of Defence.[22] The governor of Thmar recruited 20 new soldiers in 2011 and 15 more in 2012 for the government and had to find money to support them. He gave them 100,000 riel (USD25) each and a dinner before sending them off to their training camps. All the expenses were met from his personal income. The district also implemented various MOI delegated tasks such as the village and commune safety policy and food support for the poorest families, all expenses covered by its own resources.

In this context, if governors and deputy governors are to keep their positions, corruption is inevitable. When they are appointed as governor or deputy governor, the salary is not the most important thing that they look for because it is never enough to support the kinds of activities and demands that are expected of them. Just like other lucrative (*klung*=fat) government posts, the competition for the posts is about the status, prestige and power that

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[22] The district governor of Thmar explained that this recruitment of new soldiers does not occur every year but depends on the needs of the Ministry of Defence as part of its programme to replace retired soldiers. Youths (between 18 to 35 years) are the target for this recruitment. After being instructed to find new recruits, the governor through his network of commune and village chiefs disseminates information about the recruitment to local people.

comes with it to make money, to keep the position and to fulfil other on-going contributions as required by the provincial governors and officials of MOI. Consequently, governors who don't know how to make money to keep their boss content will be replaced or promoted to so-called 'paper eating' positions which have little prospects for corrupt practices.

As expected, the governors' time, and the time their colleagues in the public offices, has been largely taken up engaging in administrative gate-keeping activities to extract rent in the forms of administrative papers, certifying land deals, acting as middlemen in land transactions, resolving or mediating occasional land conflicts between villagers, between villagers and concessionaires or outside speculators. Sometimes they are involved in land deals themselves. During the course of my fieldwork, most visitors to district offices looking for governors were embroiled in land conflicts. The governors in particular build their fortune from land deals, through commission fees and selling land they previously bought from villagers at low prices. People know that the signature of the district governor on title transfer will cost them USD100 - 10,000 depending on the value of transaction.

The governors, while not explicitly discussing what they have made from land deals themselves, often commented to me on what their peers in Phnom Penh or other key districts are making. For example, the governor of Dek district explained that two of his RSA classmates, one a governor of a district in Phnom Penh and the other a governor of a border district, were once as poor as he was when starting the job but now are millionaires. Also, sometimes resources are siphoned off from development projects supported by outsiders in the area through collision with private construction companies. Some governors and deputy governors have small businesses run by their wives and relatives that provide additional income to meet their obligations. The governor in Thmar is much wealthier than his counterpart in Dek because the thriving private sector in the district and his own businesses enable him to respond with ease to requests and demands from his boss and the CPP. Nonetheless, the Dek governor admits that he makes most of his income from land-related transactions in the district: 'To be honest, I made my fortune from land. It has helped me build a house and support every-day needs for my family and expectations of my job.'[23]

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[23] Interview with Governor, Dek district, 10 January 2012.

The other big source of income-generating activities for the district is 'contribution or protection fees' from businesses. Again, the Dek governor explained to me why everyone wants to be a governor and the reason why there is a 'higher' entrance fee to get appointed in the neighbouring district is because it has large manufacturing outlets and several garment factories which each provide the governor with a monthly envelope of about USD500. As a result, the governor of that district can receive a couple of thousand dollars per month. In a location like that the governor also collect more contributions for the Red Cross and other higher level demands as big money comes from the factories, not from administrative services. None of these informal contributions from businesses is ever acknowledged or recorded in the budget and therefore there is no account of how much is actually being collected. Governors in more lucrative areas are also expected to contribute more to the province or higher up in the system. They do not have a problem being generous to their boss and the party as the benefits they retain still exceed the amount that they contribute. While this practice represents an essential part of the job, it undermines efforts to strengthen transparency and accountability in revenue and financial management within the rule-based governance that western donors are promoting through decentralisation.

Corruption is at the heart of governance problems in Cambodia, and the government's existing anti-corruption reform agenda and legislation are ineffective.[24] After a decade of pressure from western donors, the government adopted an anti-corruption law in early 2010. It requires that members of district councils and governors declare their assets and wealth confidentially to the Anti-Corruption Unit which is headed by one of the Prime Minister's personal advisors. So far, this has had little or no effect on reducing the informal money making practices of civil servants. Instead, it has strengthened the power of the national patrons of the ruling party over these officials. Governors are suspicious of the government's intention, saying this measure might be used to discipline officials who don't follow the centre's agenda rather than being a genuine attempt to combat corruption.

> Declaring assets under the Anti-corruption Law allows the party to put officials [as their fish] in the net ready to be eaten. Any time that the party is hungry, it can easily catch the fish from the net. If the government is genuine about reducing

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[24] See World Bank (2004), USAID (2004) and Un (2012).

corruption, they should start cleaning the staircase from the top to the bottom, not the other way around. (Governor, Dek district, 10 January2012)

The boards of governors identify fierce competition within the patronage system of the ruling party for governor positions as the second source of pressure they have to endure. Officials who aspire to become governors need to maintain both a personal backup by MOI patrons (could be the provincial governor and a senior official of MOI) and a proven capacity to contribute back to the party and the patrons. Their positions are not secure if they cannot meet the expectations of the provincial patrons and their commitments to the party. Sometimes the incumbent can lose his position simply because more powerful individuals are competing for it. There is competition among deputies to become governor within and outside the district. In practice, they pay some money as 'gratitude gifts' to the provincial governors and some other senior provincial officials for giving them the job. They are also expected to regularly bring gifts and follow these officials in their visits as part of the reciprocal tradition 'you know me I know you'.

Sometimes the district governors have to attend meetings where provincial or central officials are present in order to just be seen though this may well mean that they miss district council meetings. The governors in particular explain that they dare not leave their post for any purpose for more than a week because if they did their position could be given to someone else. One of the governors I spoke to was nervous about taking an official trip overseas, fearing he would be replaced. Within the CPP there is competition to be close to one's patron and be appointed to certain positions and this practice makes officials uncertain about their future despite having qualifications and experience. It also creates jealousy and leads people to find fault with each other in the work place. A governor and a deputy governor discuss this issue:

> It is not easy to be in this role. There is a lot of resentment and jealousy from my peers who didn't get promoted. (Governor, Dek district, 28 March 2011)

> I don't know what to expect from my position as I don't know how long I will be here. It depends on *thnakleour* (higher level). (Deputy governor, Thmar district, 7 March 2011)

The third source of pressure on the board of governors comes from the CPP. They have to sacrifice personal time and resources for the party and the patrons to remain in their positions. They claim that they spend more time on party work than on their official duties. Outside of the party's formal hierarchy, the governors are especially expected to be with the district party working group and actively involved in party weekend activities, as demonstrated in Chapter 4. They are also expected to contribute and pay for expenses related to party activities in their jurisdiction.

> Party work cannot be neglected. We don't think of working hours for the party as work. It comes from our heart. Any official who is not active in party work cannot stay in government positions. (Female deputy governor, Dek district, 19 March 2012)

> Doing the governor job is not difficult but meeting the party expectations is. Now since land price and transactions are declining due to the economic crisis, it is very difficult to sustain the same level of expenses. I hope that the district will get its own budget soon from the decentralisation. (Governor, Dek district, 7 March 2012)

Governors and their staff are obligated to make sacrifices for the party, but not everyone is happy with the arrangement. The governor of Dek district, for example, complains about this arrangement because he has to be in the district doing party work on weekends which means he does not get to spend time with his family who live in Phnom Penh.

> As my family lives in Phnom Penh, I want to visit home during the weekend. I often go home on Friday. But because of party work, I have to travel back to the district on Saturday or Sunday as there are visits from the central CPP officials. *Neak tom* (big people) comes here to do party work but they also come here to look after their land and businesses. (Governor, Dek District, 7 March 2012)

Furthermore, there is some displeasure when central patrons visit the local level not only for party work as they are supposed to but also to pursue personal business interests. Other members of the BOG also complain about excessive party work but dare not do anything about it.

Finally, pressure on the board of governors also comes from the workload and activities imposed by province and national levels that are not clearly planned for or are not

adequately supported by available resources. These tasks and demands happen often and require the district to prioritise the province and centre's needs before attending to demands of the councils and the public because the higher level is regarded as possessing ultimate authority. As a result, none of these top-down activities requires participation or consultation with the district council as the accountability is directly between the governors and higher level.

Examples of these top-down activities observed during my fieldwork were organising 7 January celebration (the liberation day from the Khmer Rouge) in the district, conducting urgent recruitment of new soldiers, coordinating food distribution to poor families, coordinating projects of donors, facilitating visits of central officials to areas affected by flooding, monitoring voter registration activities at commune level, and updating party membership prior to the commune election. In early 2013 as the national election was approaching, the governors and their officials were occupied with 'working at the base (*chhoasmoulthhan*)' which mainly involves inaugurating infrastructure projects of communes and other political activities to garner votes for the CPP in rural areas. This workload overwhelms the board of governors which also has to juggle other responsibilities for the party as well as new responsibilities brought on by decentralisation.

> We have to reschedule the district council meeting several times because the district governors are busy with activities and meetings that the province and national level assigned to him. (Chair of district councils, Thmar district, 23 January 2012)

> Lack of substance in the report for the district council for this quarter [in which the content of the report is the same as last quarter except that a change of date was noted by one of the councillor] is the result of unanticipated work given to the district by the province and national level, requiring us to complete it promptly. That is why there was not enough time to do the report for the council. (Governor, Dek district, 7 March 2012)

In recent years, boards of governors have also faced pressure coming from villagers, wealthy individuals and powerful government officials over land conflicts. In both districts, I was told that there are escalating land conflicts that the governors are expected to mediate and resolve. This they complain that this takes their time away from more

pleasant and lucrative activities, because these land conflicts often involve claims between villagers and wealthy and powerful officials over land concessions or land speculations where the poor are being alienated from their houses and agricultural land. During my fieldwork visit to the district and the provincial levels, governors pointed out to me a high pile of land conflict complaints submitted by villagers and local NGOs that they are expected to resolve.

Besides complaints from the villagers, they have to respond to complaints from members of the elite over land claims. The Dek governor was called by the provincial governor to travel to Phnom Penh to attend a meeting at the Ministry of Commerce in order to provide some information to a senior ministry official (who had sold a large plot of land at double the market price to a Japanese investor) about villagers who claimed the land. I was told by villagers of a number of other land conflicts in the district. One of the complaints has been sent to the provincial governor in which villagers demand that access to their rice field be given back to them from a Korean investor who has fenced the path as part of his land. Similarly, the governor of Thmar came under considerable pressure to resolve all the land conflicts in his district so that the problems do not go upward or become public. While he acknowledges that sometimes he cannot solve the conflicts especially if any of the actors involved hold higher positions than him, he has to find way to please both the villagers and the higher officials:

> I am so busy resolving land conflicts. It is also problematic to follow the land conflict resolution provided by Ministry of Land Management because if I did so it would take too much of my time. I just do what makes sense and get the problems solved. Sometimes, I cannot resolve the conflicts but have to refer them upward. The problem with this is that higher level officials will not be happy with me and they say I am incapable. But, you see, some of these conflicts are out of my hand and my capacity. I cannot do anything about it. (Governor, Thmar district, 19 March 2012)

Sensing the international and public pressures over land conflicts, the government has initiated the provision of land titles to selected communities and areas. This policy was initiated by the Prime Minister (not the donors) and primarily financed by *saboroaschhon* (wealthy individuals who contribute money to finance CPP's rural development projects) and CPP money. It had been implemented since June 2012 and was to be completed

before the July 2013 election.[25]Local authorities are expected to assist the national level in measuring lands and giving titles to displaced and poor families affected by the granting of land concessions in recent years. Although some praise Hun Sen's land title project for having handed down nearly two million titles in less than a year,[26] there are many reports that residents in the most affected areas, both rural and urban, and particularly Phnom Penh, have been overlooked by the land titling activities.[27]

In short, the boards of governors in both districts face similar pressures although the pressure on the board of governors in Dek to mobilise financial resources necessary for the party and the patron is more intense compared to the more prosperous district of Thmar. In both places, their main pressures relate to maintaining good relationships with and trust of their provincial and national patrons and the CPP and to avoid conflicts with higher authorities even when they are happy to do whatever these higher authorities ask. Therefore, for these governors to survive in their positions requires that they not only have the capacity and qualifications to run the administration effectively but, more importantly, they must be able to keep the CPP and the patronage system working by involving themselves in a range of activities that include profiting through corruption and exploitation of public resources and moving some of this money into services and projects to elicit votes for the CPP. They are aware that part of their duties is to be the servant of the people, but the pressures imposed on them make it hard for them to fulfil their roles in a manner consistent with genuinely serving the people. The pressures on them are so intense that in both places the governors are planning to quit their job when they can secure independent sources of income. Thmar's governor wants to quit after the next term to focus on his successful family businesses. He told me that he does not want his children to follow in his footsteps and currently all of his children study and work in Phnom Penh. Dek's governor, who is now taking English classes and a master's degree course, told me that 'he might be looking for work in the NGO sector next term if he is not promoted to a richer district'.[28]

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[25] For further reading on this issue, see Fitzpatrick (2012).
[26] See Zsombor and Kuch (2013).
[27] See Meach (2012; 2013), Phorn (2013); May (2013)
[28] Interview in Dek district on 9 January 2013

6.4   Goals of BOG for Decentralisation

Compared with the councils, BOGs represent a group of officials who are much more capable, having higher education and much better integrated into the national political network. Although they lack influence in decisions and policies due to the existing top-down approach to decision-making within the hierarchy in Cambodia, their interaction with groups of actors such as donors and people in the private sectors prompt them to articulate informed goals for decentralisation such as autonomy of decision-making and protection from political pressure. Both of these goals match with factors found to exist in a few cases of effective state institutions operating in Cambodia (for instance the Seila programme, the Phnom Penh Water authority)[29]. Nonetheless, their motivations for articulating these goals are other than a desire to be accountable and provide welfare to the poor.

When I asked them, senior officials of the district administration interviewed for this thesis had difficulty articulating their goals for decentralisation. This is not surprising. They were not prepared to reply, referring instead to 'decisions of the top level or policy of the Royal of Government'. This tendency not to form a personal view about decentralisation can be explained by two related factors. The board of governors' reluctance to speak up within the hierarchy reflects the embedded practices of Cambodia's governance characterised by highly top-down decision-making and politics of power at the central level. The following comment by a female deputy governor is revealing:

> I don't know what my goals are for decentralisation. The district will get whatever the higher level wants to give to us. Even if we know what we want but the government doesn't want to give to us, we won't get it and have nothing to contest them. For example, the Organic Law 2008 promises us a budget and new functions. However until now we have got nothing. We can only wait and see. (Deputy governor, Dek district, 9 January 2012)

People are accustomed to one-way communication within the hierarchy and believe that subordinates are not supposed to tell their superior what they want or how things should work. District officials feel that they get much better information about policy and decisions being discussed and adopted at the centre from their friends and personal

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[29] See Hughes and Kheang (2011), and Hughes (2007).

networks rather than through the formal state mechanisms. But for the most part, they are not being informed nor is their feedback invited and hence they see themselves as devoid of influence in government decisions and policy formulations. Even when a rare occasion of consultation exists for them to initiate and ask questions on MOI's draft policy (for instance the consultation on the draft Organic Law before the law was adopted) the governors dare not offer ideas or ask questions in a public arena that might displease higher level officials or that might be seen as challenging the interests of powerful actors. Even when they know and want to voice their opinion about what they should get, they contend that the higher level would not be very interested in hearing them. As one deputy governor commented: 'People at the higher level don't even tell us what their plan is, let alone asking us for our opinion about how the plan should be implemented.'[30] Throughout my own engagement in the formulation of the ten years national programme for decentralisation, I noticed that the districts were rarely if ever consulted in the process.

Generally speaking, there is a significant barrier that prevents state officials from speaking up and initiating reform ideas (Hughes and Conway, 2003). Decision-making and policy development are not generated by public debates consisting of representations of different groups and political affiliations. Instead, decision and policy making are entirely at the discretion of Cambodia's top political leaders. Where there are opportunities for inputs from officials and others in the process of policy development, these are largely cosmetic. Their engagement merely amounts to collecting information, although this varies from one policy area to another depending on its political significance to the patronage network. For instance, decisions about the country's economic land concessions and development in the agriculture and forestry sector continue to be made by the very top leaders with very little regulation or scrutiny from government institutions or the public. This includes large-scale land concessions for agro-industrial plantations and forest concessions being awarded to *okhna* and tycoons well connected to the ruling party and the Prime Minister, as shown in Chapter 3. In other words, in areas of strong economic vested interests to the party and its patronage network, the top leaders maintain absolute discretion in making these decisions.

In less crucial areas such as in sectors related to public services like education and health, there is more consultation and greater influence on the part of donors, NGOs and

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[30] Interview with deputy governor, Dek district, 9 January 2012

government officials in the decision-making process. Hughes and Conway's study of the policy process of these ministries found that 'Ministries, reform-minded government officials and those donors who want to help them can at least seek to develop and implement new policies without facing the resistance of powerful senior political figures and the networks in which they are embedded' (2003:36). One important reason has to do with the fact that these ministries have relatively less prospect for control over resources and power to offer to the top political leaders compared with resource-intensive ministries such as forestry, finance and land (Hughes and Conway, 2003:35). So in these sectors, officials with support from external supporters such as donors and NGOs have some room to discuss and initiate ideas with senior officials with less risk of displeasing their superiors. But even in this sector, those who dare to initiate have to secure the backing and approval of their immediate or higher level patrons and often they attribute such reform ideas to him or her rather than as their own.

It should be clear from this account that there is poor communication, poor coordination within and across organisations, and lack of understanding and commitment from the lower to upper levels of the hierarchy about how to implement policy or decisions of the government. The implication of this situation within the state hierarchy is that on the one hand, the sub-national officials are shielded from being held accountable either because the policy is not clear to them or because they have never been clearly told what to do about it. On the other hand, the centre can use this as an excuse for slow action or failure of policy implementation by its state officials especially if the policy is adopted merely to serve political purposes.

In describing their difficulty in speaking up and implementing policy within the state hierarchy, the board of governors compares it with the familiar system of the party patronage network, namely the district working group (discussed in Chapter 3 and 4). In this system, the decisions are top-down but there is some flexibility, discretion and direct communication between centre and lower levels about what to do, and there are stronger mechanisms for commitment and accountability and hence incentives for those involved than in the state system. In this informal system, the governors told me: 'They know what they need to do and there is no need to wait until they are told what to do. More importantly, when they perform party work they do not think about what time of the day it

is or what day of the week'.[31] They further note that the party permits some degree of discretion in how they implement their work and particularly about opportunities for rent seeking. For instance, during my field visit in 2011 to a district in Takeo province, the district governor was recently granted a sizeable sum of money from a senior party official in Phnom Penh to renovate the party district office. The governor was in charge of managing the fund, selecting the contractor and other aspects of the work without having to go through any paperwork or public bidding. The governor said: 'The party only wants to have a new party office but does not care how I use the money.'[32] While the governor knows that he has the trust and discretionary power to use the money, he also knows that he would be strictly disciplined if he failed to deliver. However, the ideas of autonomy, commitment and accountability that these officials refer to are essentially located *within the party network*, exhibiting traditional patrimonial attitudes rather than 'modern rational' values. As such, there is strong accountability and discretion within the patronage system that motivates and coerces officials to perform and deliver votes for the party, but it sharply contradicts with democratic accountability for the population at large as promoted by donors through their support for institutional reforms.

Members of the boards of the governors that I interviewed for this thesis mention two main goals for decentralisation. A high degree of autonomy in decision-making is the most important goal the governors would like to see built into the new system. This aspiration for more autonomy on the part of sub-national officials resonates with the existing literature explaining why some state institutions in Cambodia achieve greater operational effectiveness than others. From the perspectives of the governors, autonomy over decision-making in management of their affairs or in budget decisions is more important than receiving functions or budget from the centre. This is perhaps best captured in the common saying: 'The centre only gives you a plough but they control the cow.' All in all, they are not very enthusiastic about decentralisation, because so far to them it mainly involves more meetings, guidelines, training sessions and paperwork, and has much less to do with granting substantial power in decision-making and resources to lower levels. The two governors also ruled out the claim about lack of capacity, which is often emphasised by both central government and donors, as a reason for not granting autonomy and authority to lower level officials. A deputy governor in Dek commented, 'We all have

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[31] Interview with governor in Dek district on 10 January 2012.
[32] Interview with governor, pilot district in Takeo province, 15 December 2010.

recognised educational training and a minimum of ten years working experience within the administration, qualifications that are similar to officials at national level. I don't think our capacity is the main concern for not giving us autonomy; it's because they don't want to'.[33]

There is already observable dissatisfaction with the centre's top-down approach, although the governors dare to show it only in meetings with their subordinates, not in meetings where provincial and national officials are present. For example, the governor of Thmar district was releasing his anger after a bad meeting in the province at one of the district council meetings that I was attended, saying:

> There are three committees but they are not meeting and functioning. The MOI blame me for not trying to make them work. Now I want to tell you all to make sure that you all get organised and conduct meeting per MOI instructions. MOI scolds us. But I want to tell MOI too: why don't you issue clear guidance delegating clear roles for governors with regard to these committees? Please don't just scold us when things don't go the way you want. I want to scold them back and ask why don't you give me the power to do it. (District council meeting on 3 January 2012)

By contrast, in Dek the governor is unwilling to display the same anger toward the centre. He complained to me instead and requested that I put his comments in my report for MOI: 'The centre should consider the interests of the district as the district plays important roles in mobilising votes for the centre.'[34] As we have seen in previous sections of this chapter, in Dek district expenses for both formal and party work depends on petty corruption, contributions from staff salaries and occasional land deals. In Thmar, on the other hand, the district is self-sustaining with its major sources of informal revenues coming from contributions from business and business-related service fees. The governor of Thmar acknowledges that 'I am very busy and spend more time on business relations than administration. In my district there are a lot of economic activities going on. Many investors contact me for land where they can grow pepper, cassava, sugar and rice.'[35] In this situation, the governor in Thmar already enjoys a certain degree of autonomy and

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[33] Interview with deputy governor, Dek district, 28 March 2011
[34] Interview with governor, Dek district, 9 January 2012.
[35] Interview with governor, Thmar district, 7 March 2011.

(unofficial) discretion granted from the centre in collecting and managing the revenues generated within the district compared to Dek. The power of the Thmar governor reflects his access and control over lucrative revenue sources within the district. This also explains his lack of enthusiasm for the District/Municipality Fund (DMF) – which will represent the only national transfer for the district budget. However, for Dek district this DMF will provide a significant revenue boost to the district: they expect the new fund to help relieve financial burdens for state and party work that are currently met from officials' meagre salaries and petty corruption. Dek's governor has already started planning how he will use the DMF to meet all the district's obligations – how much will go to his bosses, how much will go to district level party work, how much will go to projects, how much will be used as incentives for his colleagues, and so forth.

So in both districts, the demand by officials for a higher degree of autonomy in decision-making is motivated by increased opportunities for corruption and flexibility to serve their own interests better in meeting all the pressures from the top and from the party, which in turn contradict the ideas that donors have been advocated for in terms of autonomy and accountability of local government. This issue is further complicated by the fact that governors and their staff are not elected by the people or appointed by the district councils. And even though governors are answerable to the district councils, they are not required to answer in any form to the commune councils or the larger population. The vertical accountability relation between governors and the rural population is remote, and in this situation, the only strong relation is upward accountability. At the moment, this is the reality: upward accountability is the rationale of the state although there is stronger democratic accountability within the party patronage system, primarily projected through the delivery of rural infrastructure development programme of the CPP.

In addition to autonomy in decision-making but critical to achieving genuine autonomy, the other goal articulated by some district officials, especially in Dek district, for decentralisation, is the idea of being protected from political pressures, although they think that this proposal is radical and highly unlikely to be achieved . For them, influence and pressure from political actors prevent them from exercising their autonomy over staffing, operations and budgets, and taking up responsibility and accountability of their decisions. As we have seen, pressure from high-level officials on the district to divert state and collect informal fees into their patronage network represents the most intensive pressure

on their positions at the moment. Broadly speaking, political pressure has undermined the efficiency of the state and has subordinated it to the party patronage system. The importance of one's personal connections and loyalty to a patron and powerful political actors for one's position hinders technical efficiency and performance from civil servants as the priority for their job is rent-seeking that can sustain the system higher up. The domination of politics within the bureaucracy also means that public officials have to constantly change hats between being a bureaucrat and a party official. As one of the officials reflected: 'When we meet the people we have to talk about development projects from the government and the party – what roads, schools, or pagoda we are renovating and building. I also have to present myself as district governor and representative of the party.'[36]

Although the district officials in both districts complain informally about political pressures, the business interests of the governor in Thmar would be worse off if he lost his close connections and preferential treatment from higher up. That he is a trusted and preferred candidate for the position is reflected by his statement: 'I am very close to the provincial governor and I know many people in the ministries in Phnom Penh. They want me to be in the position for another two terms. But I think I only want to be here for only one more term.'[37] Unlike him, the governor of Dek district is not very secure in his position given that he is yet to have a powerful *kse* (connection) to back him up. As we have seen, this governor 'dares not travel away from his office, afraid the provincial governor might change his mind. The Prime Minister said firing officials like him only takes a few minutes to do.'[38] While both governors have to juggle between meeting requirements in their state position and demands from their patrons, the one who has secured close *kse* with senior officials is much better placed in the hierarchy and hence is more influential and successful. It is precisely this practice that undermines efforts to make the state bureaucracy function according to rule-based governance where one official's title and status is determined by his or her capacity and expertise to perform the assigned roles.

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[36] Interview with deputy governor, Thmar district, 4 March 2011.
[37] Interview with governor, Thmar district, 26 January 2012.
[38] Interview with governor, Dek district, 10 January 2012

6.5   Conclusion

In examining the characteristics and functions of district officials in the two districts, we have seen that despite changes in the profiles of boards of governors and some adjustments in administrative structure and forms after the 2009 decentralisation, there have been few substantial changes in the ways these officials and levels of government perform their duties and relate to higher levels of government. The creation of district councils in 2009 has enabled the central government to promote a new group of young, well-educated and trained officials with contemporary development experience into the district board of governors. They are also loyal and trusted officials of the CPP network who have been working for the administration for a number of years.

In performing a variety of duties expected of them by the formal state hierarchy and the party patronage network, the BOG are under great pressure to sacrifice personal time and resources to meet demands from above and from the party in implementing their duties. A good governor gains his reputation for his acts of financial generosity in keeping his superiors and staff content and his ability to achieve central level policy and decisions effectively. In doing so, governors have to spend less time on their official duties and therefore compromise efforts made in the public interest. They are not only expected to generate resources through various rent-seeking activities to pay for party activities and patrons but also to sustain support and votes for the party through performance and delivery of projects to the public. Reflecting on the activities and pressure that these officials face, I find there has not been substantial change in the boards of governors' work so far with the implementation of decentralisation. But as the profiles of these officials suggest, there is significant improvement of capacity and organisation at this level of government and hence of state capacity and understanding of development.

However, there is little progress in making these state officials directly answerable to the public for their performance. Instead, boards of governors are accountable to central patrons and political parties as their power and legitimacy continues to be provided by powerful individuals higher up. Governors with personal connections with such patrons are assigned to lucrative districts and therefore are more powerful and successful than governors without such backup. While the Organic Law 2008 requires the BOG to be directly accountable to the district councils, in practice these men and women fear and seek approval from their immediate superiors in the administrative hierarchy (provincial

governors and MOI). They have to get approval from them before they make decisions and then submit those to the district councils for adoption. This finding agrees with the studies by Ojendal and Kim (2008) and CDRI's survey of district officials (2011) which show that district boards of governors continue to regard the provincial level and MOI as their immediate bosses for guidance and advice when they have to make decisions. This strategy increases the power of the centre and means that their activities are more aligned with the central patron and party agendas. This state of affairs undermines the accountability relations the boards of governors expect to have with their own councils, let alone the commune councils or the rural population at large. This downward accountability relationship, specifically between the district and the commune as required by the provisions of the Organic Law will be discussed in Chapter 8. Before that, Chapter 7 will examine the district level's functions, power, resources and relations with the national government in the effort to analyse the extent to which the substances of these institutions and relationships, as envisaged by laws and being put into everyday governance practices, are contributing to political power and accountability being redistributed away from the centre to the local level.

Chapter 7   Inside the Districts: Power, Functions and Resources

Having discussed the characteristics and goals of the councillors and board of governors, and having suggested that their political accountability to the people is weak, this chapter will analyse the concrete institutions and practices being formulated and put into implementation at the district level. The focus will be on the power and autonomy in decision-making of the councils over the affairs of the district vis-à-vis those of its appointed officials –the board of governors and the central government. These features of decentralisation are crucial in understanding the extent to which institutional autonomy and key roles in service delivery envisioned in the government policy for the district level is being substantiated in the implementation process. We have seen in the previous chapters that the use of indirect election for district councils and the patronage network for appointment of board of governors means that a bottom-up form of accountability in Cambodia's decentralisation is sorely missing. With this in mind, we need to examine the district's power, function and relations so as to ascertain whether political power is being redistributed to the districts to enable them to perform their duties effectively.

So far, the indirectly elected councils are still waiting for their functions and resources to be transferred from the centre. The determination of devolved functions and authority for all sub-national councils remains to be decided by the central government. The government law and policy suggests that the district councils might be entitled to significant power and resources, although experience from commune councils since 2002 shows that the considerable power apparently granted to them by the Law on Administration and Management of Commune/Sangkat 2001 has never been employed due to the lack of required legislation. Furthermore, central ministries, particularly the Ministry of Interior (MOI) and the Ministry of Economy and Finance (MEF) are given extensive disciplinary power over the sub-national councils. Local councils and officials in the two districts also make it clear that they have more power on paper than in reality. Mechanisms for bottom-up accountability such as through participatory planning and budgeting process have been about compliance with national guidelines rather than about

public forums for transparency and accountability. All this evidence suggests that what is happening in the restructuring of sub-national administrations is that it is linked to the party network and to existing formal and informal hierarchies that are being reproduced through the new institutions. Nonetheless, performance at the sub-national level, specifically in terms of administration and delivery of development projects, has improved compared with the previous form of administration as resources and discretion to manage them are made available to sub-national levels.

To illustrate these points, this chapter dealing with authority and autonomy of sub-national councils has three sections. The first section discusses about power and duties and the roles of central government. In the second section I examine processes and decisions related to the transfers of ministry functions to sub-national levels. The final section investigates issues related to fiscal decentralisation.

7.1   Power and Duties of the District Level and its Relations with the Ministry of Interior

Proponents of decentralisation assert that when limited political power is granted to local councils, the impact of decentralisation on participation and service delivery could be enhanced if the new bodies were given significant functions and resources to perform their duties (Manor, 2008). China and Vietnam are two examples in the region in which central governments remain tightly in control of their local government officials while significant administrative and economic power are assigned to these officials enabling them to improve local service delivery and achieve economic growth targets.[1] In both countries, substantial revenue-raising powers and discretion are granted with an increased level of responsibilities over service delivery to their local constituents. The growing importance of local governments in administration and service provisions in these countries attracts attention and interest of citizens to participate and make demands, and has consequently resulted in improved local government performance and responsiveness.

Like the two models discussed above, the Cambodian government, as we have seen, is taking a very cautious approach to decentralisation and is likely to implement a restricted form of deconcentration rather than considerable devolution. I will explain this by

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[1] See for instance, White and Smoke (2005), Tsai (2007), Fritzen (2006), Hung (2009).

examining the general authority of the indirectly elected councils, relations of sub-national authority with the national government and specifically the roles of the Ministry of Interior.

The Law on Administration and Management of Capital, Province, Municipality, District and Khan (Organic Law) 2008 provides a general mandate and defines the power of the district councils. Specifically, the law awards the councils with both legislative and executive power 'to undertake activities necessary to achieve the purpose of establishing, promoting and sustaining democratic development and to perform functions and duties that have been assigned and delegated to it' (Article 29). Moreover, in taking up this general mandate, the council 'shall be accountable directly to all citizens for making decisions on priorities and for ensuring democratic development within its jurisdiction' (Article 34). District councils can make legislative decisions, issue by-laws, and impose fines for noncompliance and are responsible for implementing and enforcing by-laws. While the law provides general outline of the functions and authority of the district council, it requires the MOI to issue detailed guidelines as to how the councils implement many key provisions of the law. For example, the internal procedures of councils (Article 69); the procedures for formulating the development plan (Article 38); for managing budgets (Article 45); for holding confidential meetings (Article 68); and for setting up council committees (Article 126).

Consequently, although the Organic Law suggests that the district councils have the authority to respond and be accountable to their electorates, they are always required to follow decisions and guidelines from MOI. In Cambodia, regulations and guidelines of the executive branch are more enduring, more important and more powerful than laws passed by the national assembly as these guidelines clearly delineate how to implement such laws. Also, it is understood that the council is not expected to act unless it is told specifically what to do, unlike in Western democracies where councils can act if the laws do not prohibit them from doing so.[2] This view is widely shared among the district councillors of CPP and opposition parties as this comment from a CPP councillor reflects: 'The council seems to have lots of power in the Organic Law but if we look closely the

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[2] Interview with European Commission' s Human Right and Governance Officer, Phnom Penh, 12 March 2011

law always requires (*karneanaom*) guidance from MOI for implementation.'[3] Asking for guidance, which this councillor refers to, means seeking advice and approval from above.

Councillors from opposition parties disagree with the CPP councillors on this matter, arguing that the capacity of councils to initiate and make own decisions is hindered not only by ambiguity in the legal framework, but by the use of CPP patronage arrangements. As one SRP councillor explained to me, 'The Organic Law does indeed give power to the council to act independently but the council chooses not to use that power because they owe their positions to the CPP and their patrons – the MOI – rather than to the Organic Law.'[4]

A chair of the district council points out that the provision in the Organic Law is too vague for him to confidently suggest that the council is being granted the power to make decisions and implement them without first securing MOI approval.[5] It is important to note that the relationship between local officials and MOI is rigidly hierarchical which subordinates local officials to the demands of and allegiance to MOI. For a local official, MOI is a very powerful patron that is in charge of managing a system within which patronage positions and opportunities at local level are distributed. This system was initially set up by CPP President Chea Sim in the 1980s as a means to develop a local political network of trusted and loyal officials carefully selected from ground level but with strong association to key central patrons (Gottesman, 2005). Unlike other central ministries, MOI has the authority to discipline and monitor political loyalty of local officials. Furthermore, threats and coercion are often deployed in dealing with disobedience and public protests given MOI's control over the security forces in the name of maintaining social order and stability. Accordingly, the relationship between local officials and MOI is similar to that of the broader public service, being associated with a hierarchy of relations of loyalty and obligation to a neo-patrimonial leader.

The substance of the Organic Law about the roles and relationship between MOI and local officials is consistent with this neo-patrimonial order promoted by the CPP. In reviewing the Organic Law, Hughes and Devas also found many articles in the law which suggest

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[3] Interview with CPP Councillor, Thmar district, 2 March 2011
[4] Interview with SRP Councillor, Dek district, 11 January 2012.
[5] Interview with Chair of District Council, Dek district, 29 March 2011.

that MOI continues to have ultimate authority over sub-national levels (Hughes and Devas, 2008). The Ministry of Interior has not only supervisory responsibility over sub-national councils, but also authority over the issuing of regulations. For instance, Article 21 awards the Ministry of Interior the right to decide whether individual councillors should forfeit their council seat, for reasons of non-attendance or breach of council codes of ethics. To enforce this provision, records of council attendance in monthly council meetings are sent to the province and MOI together with the minutes of the meetings. I believe that that this kind of monitoring is being used to target opposition councillors rather than the CPP councillors as there was occasions in which I observed more signatures of CPP councillors than the number present at the meetings.

In another article, the law grants the government via a request from the Minister of the Interior the power to dissolve a council by sub-decree if any council fails to respect and follow any provision of the Constitution, law or sub-decree (Article 23). In this circumstance, when asked what they have done after the election, common responses from councillors of the two districts are 'We do what we are told from MOI. We don't dare to do more than what we have been told.'[6]

Another article of the law requires the council to immediately report in writing to the Ministry of the Interior any abuse of power in its jurisdiction (Article 46). This is what the district governors sometimes ask opposition councillors, that they should write down their reports and not speak at the council meetings of examples of abuse of power they know of in the district (which could well include abuse of human rights, corruption, nepotism and illegal confiscation of assets). Such provisions in the law about the status of a central government ministry over sub-national councils clearly suggest that the hoped-for redistribution of power from the centre to the people and their representatives remains unfulfilled and this will be the case even when additional functions and resources are transferred to these councils.

The roles played by the councils are passive and intended to make the councils as policy-making and oversight bodies whereas the board of governors are granted the power to draft policy and decisions for councils' review and approval, to execute them, and report

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[6] Interviews with councillors, Thmar district, 2 March 2011 and Dek district, 29 March 2011.

back to the councils, according to the Organic Law and subsequent legal documents. For instance, the governors are to prepare and submit the following materials for councils' approval: three year investment and budget plans, five-year development plans, and annual performance reports (Article 163). Also, the governors, rather than the elected councils, are assigned to chair the committee for technical facilitation with the role of coordinating various line ministries, and incorporating their activities into the development plan and an integrated budget (Article 166). As a result, many councillors feel that they exist primarily to support the work of the board of governors. One chair of a district council told me:

> When I was district governor, I made decisions and I implemented them. Councils on the other hand do not have those powers. Our roles are to review and approve decisions and plans which the district governors want. If the governors want to do something they ask for approval from council. Another important role of the council is to check whether the governors implement the decisions and plans approved by the council. But so far the council has not got to that yet as there is no instruction from MOI about how to do it. (Chair of the council, Thmar district, 2 March 2011)

Currently, the main duties of the council for development as suggested by the law are to prepare its five-year and annual development plans and its three-year investment plan. The law stipulates that the development plan should include an assessment of development needs, in particular those of 'women, men, youth, children and vulnerable groups including poor people, minority groups and indigenous people' (Article 39), but as we shall see it is not clear how the needs and views of these groups are integrated into the council's overall plan. In formulating and implementing the plans, councils are required to consult with a wide range of institutions and actors including their own citizens. The council's plan is formulated through the planning working group. This group is chaired by the district governor (not by a councillor) with membership from district personnel, representatives of line offices and representatives from the council's committee for women and children affairs. The group is responsible for drafting the plan for council's review and approval. The district planning officer with oversight from the Ministry of Planning is the main actor in drafting and coordinating inputs from the different institutions (including commune councils, the private sector, civil society representatives, line offices and citizens) at the district level. The officer consults them during the formulation process.

What really happens in this idealised system, however, is that many of the institutions are consulted hastily. In both districts, no citizens and civil society organisations were consulted. Only commune councils and deconcentrated offices were consulted. Those who were consulted were merely asked to provide a list of their priority needs for the use of capital budget rather than such broad needs of development like improvement of primary education and better management of forestry and fisheries. Each of the communes had to fill in their list of commune priorities within two days and return the sheet to the district planning officer. The officer compiled the lists and met with a few members of the planning working group to add up scores in order to consolidate the priority lists from the communes and other institutions to create a district priority list. There were limited involvements on the part of district councils except a few who belong to the women and children committee. At the end of these 'participatory planning processes', the district council was asked to give its endorsement. After such a lengthy process, the council is in a weak position and really cannot reject the draft plan if they do not like it because everybody in the district has supposedly participated and contributed to the plan. This means that it is everybody's plan. At the end of this exercise, the district councillors have a minimal role and almost no influence in the preparation of their council's own plan and ultimately on the allocation of its own budget –when they have it.

In both districts I studied, their development plans closely follow the detailed outlines provided to them by Ministry of Planning. Within the plans, investment programmes are provided as lists of capital projects in four sectors – economic, social, environment, and administration development (see Table 7.1). In Thmar district, all projects are included in the plan including those projects from line ministries presented in the district. This is the reason why in Thmar there are more priority projects included in the plan compared to Dek's. In Dek, only a small number of projects were included, specifically only projects that the district wants to implement with its own development budget, as opposed to those of the line ministries. Consequently, the priority needs of the Dek district represent projects that the district authority and its council might implement under its own budget or with support from outsiders, but the plan does not reflect district-wide priority projects that other actors working within district might implement, as presented in Thmar's plan. The problem with Thmar's 'unified plan' is that it conceals the difference between a local government plan and the overall general government plan that could be quickly assessed for accountability reasons. As such, the development plan of Thmar looks like a long

wish-list of general development needs whether or not they would be implemented by the district councils or others (such as government or non-governmental agencies), and therefore does not provide a clear framework for actual resource allocations by the council.

Table 7.1: Priority Needs of the District Plans 2011-2015

| Sector | Thmar district | | | | Dek district | | | |
| | Priority needs | | | | Priority needs | | | |
	Low	Medium	High	Total	Low	Medium	High	Total
Economic	13	3	17	**33**	4	2	2	**8**
Social	13	3	5	**21**	0	2	0	**2**
Land, natural resources, environment and climate change	10	2	5	**17**	0	1	0	**1**
Administration and security	3	3	8	**14**	0	0	0	**0**

Source: 2012 Annual reports from both districts to NCDDS

In addition to developing plans, so far districts have adopted internal rules for council meetings; prepared annual meeting calendars; held monthly council meetings; and established three committees as instructed by MOI: on technical facilitation management, women and children's affairs, and procurement. The council has to copy the templates provided by MOI, and all council decisions and reports are reviewed and approved by the provincial governors (not the provincial council) and later by MOI, before they can become effective. All district council meeting minutes and attendance records are sent to provincial governors and MOI for review and if there is anything not 'appropriate' they are asked to change it. My research revealed that the MOI directives were prescriptive and controlling, leaving little or no room for local initiatives and discretion, and is consistent with findings reported by an independent evaluation team of the government's Three Year Implementation Plan (NCDDS, 2012).

7.2   Deconcentration of Ministry Functions

The Organic Law 2008 requires that a wide range of functions be transferred to commune, district and provincial levels. It further suggests that functions in priority sectors essential to poverty reduction, improvement of livelihoods and local development be transferred to sub-national levels. However, it is up to National Committee for Decentralisation and Deconcentration (NCDD), which is chaired by MOI, to review and decide which functions should be transferred. The government's programme of deconcentration – a process of

transferring functions, personnel and resources from national ministries to sub-national councils has barely begun. Arguably, the councils created since May 2009 have no power and administrative capacity to take action in such policy areas as health, education, agriculture, water, land management and employment, which are important for the rural population. In fact service delivery functions and resources continue to be controlled by the respective central ministries.

Since the adoption of the Organic Law 2008, despite considerable efforts by MOI in organising meetings with line ministries to come up with a deconcentration plan over the past few years, no consensus has been achieved. Several senior MOI officials interviewed for this thesis confessed that there is a high degree of resistance on the part of these ministries to commit themselves to transfer their functions and consequently power and resources, to the sub-national level. The Secretary of State of MOI in charge of the decentralisation sees this reluctance as temporary and a result of lack of understanding of decentralisation and its implications for sector ministries.[7] There is some validity to MOI's claim but in my meetings with some senior officials of national line ministries they mention two different reasons. Despite the obvious adoption and implementation of the Organic Law and other policies related to decentralisation and deconcentration by the government, they are not convinced that a political force for decentralisation had been mobilised within the powerful elite in the government and the CPP that makes it necessary for them to act promptly. An official of the Ministry of Water Resource told me that 'My reports from the meetings with MOI about decentralisation often get stuck somewhere in the ministry hierarchy. What else can you expect me to do if my boss does not read my reports and tell me what to do next?'[8] Similarly several line ministry officials told me that their ministers have not given them clear instructions about what they are expected to do.

An official of the Ministry of Education pointed out that the minister has signalled 'a clear go ahead' to his staff in the hope of boosting the ministry's chance of achieving the Millennium Development Goal of education for all. Officials of the Ministry of Health have recently expressed an interest in implementing a pilot programme of health sector deconcentration. Both of these cases reflect the shift of attention the government and the

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[7] Interview with Sak Setha, Secretary of State of MOI and Head of NCDD Secretariat, Phnom Penh, 11 March 2011.
[8] Interview with official of the Department of irrigation water, Ministry of Water Resources, Phnom Penh, September 2008.

CPP have been increasingly emphasising in recent years for improvement in social and economic aspects of the rural population in addition to delivering peace, stability and economic growth. Nonetheless, other resource-intensive sectors such as land, industry, forestry, tax collection, which are important to the CPP's patronage network, has not involved in the functional review process.

The other reason for lack of progress which represents a widely held view of central officials interviewed for this thesis is the perceived low technical capacity of the sub-national level to carry out functions once they are transferred to them. This real concern is shared by donors whose projects and funds are often channelled through their own PIU (Project Implementing Units) in Phnom Penh.

However, most of these officials acknowledge that the root cause of this problem is not simply 'capacity' in itself but rather a lack of resources and functions at the lower level. Ojendal and Kim (2008) refer to this starving of local resources and capacity at sub-national levels as the tragedy of the 'upside down pyramid' of the Cambodian public administration. In this context, an official of the Ministry of Health explained to me: 'How much should we expect our health workers to perform their work when their incentive is very low? We would change the situation if we moved resources that are being used for all these expensive Land-cruisers in the central ministry down to the health centre.'[9] The fact is that there is limited presence of officials and service delivery activities from central ministries at the sub-national level, except in the case of ministries which have budgets from donors and NGOs (non-governmental organisations), and ministries which can generate their own revenues like tax or business-related offices.

As table 7.2 indicates, most line offices have only a head and a deputy, who are employed to do 'house-keeping (*yeamptas*)' rather than to deliver services. Many of them have to share their office desks within the office space of other line offices. Most of them also do not have any budget to perform their duties or to deliver services. Occasionally, they take part in implementing their ministry's projects within the district. One of them told me that they 'spent most of their time assisting the provincial and national level in their activities

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[9] Interview with Head of Finance and Accounting, Ministry of Health, Phnom Penh, October 2008.

and projects, and producing plans and reports.'[10] Decisions and control over development projects at local levels continue to rest with the central ministries, as will be discussed later in this chapter.

The dependency on aid for service delivery in Cambodia complicates this picture further and has resulted in fragmented and project-oriented service delivery that is highly variable and disjointed in the services received by citizens.[11] Furthermore, not all service delivery ministries organise their offices in the same administrative boundary. For instance, there is no Operational District of the Ministry of Health in Dek district as for this case one operational district spans two neighbouring administrative districts. The Governor of Dek has little information about its activity. Similar arrangements can be found in the forestry and fisheries sectors. Examples from the two districts, Dek and Thmar, confirm that most of these deconcentrated offices do not have any operational and capital budget to carry out their work, using their recurrent budget mainly for personnel costs (refer to table 7.4).

The other issue pertinent to our discussion of sub-national capacity is the redeployment of civil servants to sub-national levels. According to the official figures of the Civil Service Secretariat, Cambodia's civil servants are highly decentralised, with almost 80% of civil servants deployed to province and district levels.[12] However, there are notable variations across sectors and ministries. For example, only 2,343 (34%) of civil servants employed by the Ministry of Agriculture has been assigned to district and commune levels while 2,332 (34%) are assigned to provincial departments and 2,257 (32%) in Phnom Penh. The Ministry of Education has more than 90% of its personnel decentralised at province and district level. Despite these high figures at sub-national level, heads of these offices often complain that staff who are recruited and assigned to their province and district do not turn up to work and remain there only for a short period and then transfer to urban areas.[13] Consequently, the capacity to carry out new assigned functions at sub-national level is complicated not only because individual ministries are dragging their feet but more importantly because the system as a whole demonstrates a generalised resistance to decentralisation.

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[10] Interview with Head of District's agriculture office, Dek district, 9 January 2012.
[11] Further reading on aid and its impact on public accountability, see Reiner and Porter (2006) and report by the Council of Development of Cambodia (2010).
[12] See Niazie (2010:48).
[13] See also Eng and Craig (2009).

Table 7.2: Personnel and Budget of Line Offices in the Two Districts

	Dek district			Thmar district		
	Personnel	Budget	Offices	Personnel	Budget	Offices
Education	16	Yes	Yes	691	Yes	Yes
Land	8	No	Yes	6	No	Yes
Health	No	No	No	78	Yes	Yes
Agriculture	5	Mission budget	Yes	18	Project budget	Yes
Social Affairs	3	No	No	3	No	Yes
Taxes	2	No	Yes	4	No	Yes
Environment	2	No	No	2	No	No
Water	2	No	No	2	No	No
Culture	2	No	No	1	No	Yes
Information	3	No	No	2	No	Yes
Planning	1	No	No	4	No	No
Post and communication	2	No	Yes	0	No	Yes
Public work	1	No	No	4	No	No
Religion	1	No	Yes	1	No	Yes
Industry	0	No	No	2	No	No
Rural development	1	No	No	3	No	Yes
Commerce	0	0	0	0	0	0

Sources: Author's interview with line offices and chiefs of district administrators, and District data books 2009 of the two districts.

In pushing for progress in functional deconcentration, the NCDD in May 2012 adopted a sub-decree on the general process for function and resource transfers to sub-national levels. This law recommends that a process of ministerial reviews of their functions and proposals for functions for sub-national levels be completed by the end of 2012 and for actual transfers to take place in 2013. Sectors recommended for undergoing the review include agriculture, education, forestry, fisheries, natural resource management, environment, health, nutrition and population services, industry and economic development, land use and construction, electricity, water management, cultural needs, social affairs and rural development. My meeting with MOI officials in charge of sub-national functional transfers in January 2013 revealed that five ministries (social affairs, education, health, rural development and agriculture) have so far abided by the sub-decree and have completed the long and complicated process of a ministerial functional review. This exercise was also made possible by financial and technical support from EU-SPACE (European Union programme for Strengthening Performance, Accountability and Civic Engagement), UNICEF and AusAID. However, no actual functional transfers from these ministries had taken place by the end of 2013.

Reviews of the reports of these five ministries show that while the ministries have identified a wide range of functions (for example over 2,000 functions for agriculture, and over 1,800 functions for rural development) only a few of those functions have been proposed as potential areas for deconcentration. Among the limited list of proposed functions, some are not currently delivered at sub-national level nor supported by the government budget. This means that there is no existing budget and capacity at any level to perform those functions. For instance, the Ministry of Social Affairs suggested transferring to the district level the function related to raising awareness in areas of anti-human trafficking, rights of the child, anti-drug addiction, domestic violence, and anti-child labour programmes (Ministry of Social Affairs, 2011). This function is currently delivered by its provincial departments with most funding coming from NGOs and donor projects. Similarly, the Ministry of Agriculture raises the possibility for commune or district administration to be responsible for providing animal health agents and agricultural extension workers. However, the report notes that currently these services are being provided by the ministry except in target areas of donor programmes (Ministry of Agriculture, 2012).

A review of the Ministry of Health's functional review report reveals that they find it difficult to transfer their functions and subsequent control over resources and personnel to sub-national level because their work requires high technical skills that are currently lacking at sub-national levels, and because of the lack of congruence between the health and administrative structures. As a consequence, the ministry is proposing at this initial stage to transfer non-medical related functions. These include community health promotion (with responsibilities for village health volunteers, keeping records of births and deaths, inputs to health plans and promote awareness) to be transferred to the commune councils, and maintenance of health centres and small civil works to the district councils. This proposal could form a workable pilot in the near future as there are records of existing collaboration with local authorities, except that the ministry officials noted that these functions are currently 'either unfunded or heavily reliant on donor funding' (Hawkins, 2013:3). A number of larger functions were mentioned in the report as potential candidate for transfer, although many ministry officials were sceptical with the proposal. However, there is some sign of progress being made with technical and financial support from AusAID and UNCDF that some of the functions identified in the report could be piloted in some districts in the near future. Unlike the Ministry of Health, early enthusiasm

inside the Ministry of Education not resulted in much progress toward a pilot programme or actual functional transfer. I was told in July 2013 that such progress has been stalled due to lack of the funding the Ministry expected to receive from donors to move the process forward.[14]

The reviews of these processes indicated that there is no clear strategy and vision guiding this process for any ministry to transfer its functions. Decisions as to what kinds of functions are to be transferred to sub-national level depend on the goodwill of the central ministries rather than on the need for improved quality or on the need to be responsive to rural people. Furthermore, many functions identified for transfer are for delegation only where on-going supervision from central ministry is required as opposed to functions being assigned to a sub-national level with full autonomy and accountability. Examples from the five ministries discussed above indicate that functions presently proposed for potential transfer to sub-national level are all low-level ones.

The resistance on the part of line ministries to losing power and control over resources and responsibilities to sub-national councils stemmed from two factors. The distribution of power between national and sub-national levels reflects the interests of some national elites whose key goal for decentralisation has always been about strengthening the power of the central government, particularly the Ministry of Interior, over local affairs. Considerable contestation within and between different ministries and different factions within the CPP has also informed reform decisions. The fierce resistance from the line ministries in coming up with a clear plan for the transfer of power and resources to sub-national level is not only about fear of losing control over the physical resources but also prominently coming from competition amongst elites and ministries about who has power and who influences the way governance reform decisions are made within the state and the party.

This suggests that a drastic shift from highly centralised and fragmented service delivery is not likely to be facilitated by the deconcentration of functions to sub-national levels. It is clear that the district will not at any time soon become the hub of service delivery in Cambodia, because the central ministries continue to have primary responsibility for it.

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[14] Email communication with Ouch Channora, Function policy advisor, NCDD Secretariat, 16 July 2013.

Delivery of public services will continue to be the responsibility of and be provided by the centre. Furthermore, evidence of local councils' bottom-up influence over service delivery provided by these central ministries is also limited at the moment to merely reviewing activity plans and project reports within their territory at the council monthly meetings (as will be discussed in the next chapter).

7.3   Fiscal Decentralisation

Transferring resources and power to sub-national levels, a process known as fiscal decentralisation, is one of the most important aspects of decentralisation if the newly created councils and administrations are to perform their duties effectively and be held accountable by their constituents. This issue matters a great deal in the Cambodian context given its high level of fiscal centralisation, in what is one of the most centralised states in East Asia (Pak and Craig, 2008, White and Smoke, 2005). Accordingly, as Table 7.3 shows, the share of national budget for the period 2009 to 2013 for sub-national levels (that is province, district and commune) accounted for less than 7% of the total national budget, and an overwhelming 93% of the budget was managed and spent by the national level government.

Table 7.3: Share of National Budget by Levels of Government (in %)

Level of Government	2009	2010	2011	2012	2013
National administration budget	**93.61**	**94.35**	**94.75**	**94.34**	**93.64**
Total Sub-national administration budget	**6.39**	**5.65**	**5.25**	**5.66**	**6.36**
Commune/Sangkat Fund	1.47	1.72	1.62	1.69	1.69
District/Municipality Fund	0	0	0.42	0.53	0.48
Capital/Provincial Administration Budget	4.92	3.93	3.21	3.45	4.19

Source: NCDD Secretariat 2013

As seen in Table 7.3, until four years after the adoption of the Organic Law in 2008, the districts were an extension office of the provincial level and did not have their own budgets and revenue sources.[15] The Organic Law changed this by granting each district its own budget, assigning a number of taxes and non-tax revenues, and granting autonomy in the preparation and management of its own budget. However, the implementation of these

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[15] Discussion about fiscal decentralisation at commune and province level can be found in Boex (2009), Smoke and Morrison (2011) and Niazi (2010).

provisions has been delayed by MEF as the Organic Law requires that details of all the provisions are to be stipulated in a controversial Law on Financial Regime and Asset Management of Sub-National Administrations (hereafter referred to as SNA Finance Law). It was initially anticipated that districts' would get their own budgets in 2010 but this did not materialise until 2013, although some expenditure was specifically earmarked for the districts in 2011 and 2012 and was put under the provincial budget.

The long delay was primarily caused by disagreements over the contents of the draft SNA Finance Law between MOI and MEF which is in charge of drafting the law. The negotiation over the draft law between the two ministries took longer than expected, from the adoption of the Organic Law 2008 until the adoption of the SNA Finance Law in June 2011. MOI, which is in charge of supervising councils and officials at sub-national levels, demands that it has the authority to decide the allocation of the national transfer to the districts, and that each district has full autonomy over its budget similar to that of the commune budget. Basically, MOI wants to see that the provisions of the Organic law are implemented. MEF disagreed with MOI's proposal and is bound to follow its own Law on the Public Finance System which was also adopted in 2008 but takes centralised approaches to finance that contradict the Organic Law. Basically, MEF only recognises two levels of budgetary authorities – the national and sub-national levels (and not the levels of province, district and commune as stipulated in the Organic Law). MEF also does not recognise that these three sub-national levels have their own budgets, revenues and assets all of which belong to one state budget. It believes that MOI is pushing the decentralisation too fast and that some of the provisions in the Organic Law should be scaled down to conform with its Law on the Public Finance System. Between 2008 and 2011, many drafts were shared and many meetings between MEF and MOI took place but there was no breakthrough. Finally, after four years a compromise was reached after intervention by the Prime Minister. According to a senior official of MOI, both ministries withdrew some of their demands and reached common ground because of 'political pressure in anticipation of the 2013 election where the government needs to have the system in place at local level to respond to local people's needs'.[16] Pressure also mounted on MOI to deliver on its promise to those sub-national level councils and officials (particularly at the district level) whose first five-year mandate had almost ended. MOI, in

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[16] Interview with Deputy Director General of NCDD Secretariat, Phnom Penh, 27 January 2012.

other words, could not afford to prolong the negotiation process but had to compromise its position to meet MEF's requirements. It was also clear that donors had put pressure on MOI to keep this decentralisation moving by creating the SNA financial system. MOI felt especially pressured to mobilise resources from SIDA (Sweden International Development Agency) which had already given four million dollars to the government for the use of the district administration. This fund was due to expire at the end of 2012 but was later extended to 2013.

The SNA finance law was agreed upon and adopted in June 2011. The law recognises the district level as a new budgeting authority but states that, like the central ministries, district budgets must be approved by the National Assembly. The role of the district councils assigned in this law is mainly related to 'reviewing and approving' their budgets whereas the governors are assigned the responsibility to 'prepare and implement' the plan and budget of the district administration. In the articles where the councils are assigned to monitor the financial and budget performance of the governors, it is not clear how this will be done or what kinds of actions they can take if they do not agree with the proposed plan and budget, and the performance of the governors. Particularly, it is uncustomary for the councils to criticise the board of governors who hold high-ranking government titles as compared to just the local councils, as we shall see in the next chapter. Furthermore, the law gives MEF strong control over the district's budget preparation, finance personnel appointments, budget execution, reporting and legal oversight. For instance, each district chief of finance is to be appointed by the councils after having secured approval from MEF and MOI. So far, the only staff that councils have appointed in the district is the district chiefs of finance. He/she is to be selected and nominated for councils' appointment by the governors after consultation and approval from MOI and MEF.

In preparing the budget, governors are expected to consult and work with MEF officials. Governors must send to the MEF, by prescribed dates, proposed plans and budgets for approval, after review and approval by the district councils. In August each year, the MEF will check the authenticity of the proposed budget and negotiate budget outcomes with governors, before making decisions over the allocation of each district budget at the end of each year. Although the district councils are mentioned in the budget law their roles are weak and their influence in the outcomes of the budget process is insignificant. Furthermore, as we will see, discretion of sub-national councils over budget allocation is

also very limited given that the bulk of the district budget is already earmarked for salary and administration expenses that the councils have no control.

The only source of revenue that the district has is the national transfer through the District/Municipal Fund (DMF) which accounts for 0.8% of domestic revenues for the period of 2012-2014 and this level will remain the same for 2015-2018.[17] The 2013 DMF consists of USD14.6 million from the government and USD4 million from SIDA.[18] Of this amount, about 60% is planned for personnel expenses at the district and less than 30% is planned for development spending. Allocation of DMF per district for 2013, according to the NCDD Secretariat, is on average USD80,000 (ranging from lowest USD50,000 to highest USD130,000). In 2012, the districts only received their recurrent budgets through the provincial level, and therefore had no development funds to implement their plans. In 2013, there was some allocation for development for DMF (refer to Table 7.4) although the districts were not allowed to use the development fund due to lack of agreement between MEF and MOI about how the fund should be managed. Instead, the fund is being carried over to the 2014 fiscal year.

Although the district is granted diverse and considerable revenue-raising powers in the Organic Law, so far the only source of revenue they have received is the DMF. Other administrative revenues currently collected by the district are not consistently and accurately accounted for in the district budget. For example, the Dek district has no detailed records of revenues collected in the district, only showing a lump sum amount of 92 million Riel (USD23,000) in the categories of other revenues in their 2012 annual report to MOI and NCDDS. Thmar's report, on the other hand, provides a comprehensive figure of its source of revenues and other sources of revenues being collected by the different line offices within the district. The annual revenues collected in the district in 2012 was 362 million Riel (USD90,500). In both places, it is not clear where this revenue comes from, where it goes and who is accountable for it.[19]

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[17] Sub-decree on the management and operation of the District/Municipality Fund March 2012, and interviews with various officials of NCDDS and MEF.

[18] Chou Kimleng, Under-secretary of State of MEF, presentation at the National Workshop on 2013 Work plan and Budget, Phnom Penh, 11-12 December 2012.

[19] There is currently an effort within MOI in collaboration with the Anti-Corruption Unit to set a country-wide standard of service fees and to formalise collection of service fees by government institutions. When this measure takes effect, revenues collected from this kind of source will represent a district's own revenues from non-tax sources.

In terms of expenditure, most of the districts' expenses are absorbed by administrative costs. As we can see from Table 7.4 below, salary and general administration costs accounted for 100% of the two districts' budget in 2012. In 2013, there is an additional budget allocated to the districts for development activities, although this funding is extremely low at the moment with an average of USD25,000 per year per district or about USD3 per capita per year. The development fund for the district level may slightly increase in the near future, not because of any increased percentage of government transfer but due to an increase of government's domestic revenues. Substantial revenue sources – either through transfers from higher level or collection of own revenues – are definitely needed (but currently missing) for the district authority and its councils to perform its duties as 'the key level of government for service delivery' envisaged in the government's Ten Year Programme. The districts have to keep their budgets balanced (meaning they cannot borrow); hence they can only spend what they have. Just like the communes, the districts are likely to use their small development fund for one small capital project per year out of their long list of priorities.

Table 7.4: District Expenditure for 2012 and 2013 (USD)

Category of Expenditure	Dek district		Thmar district	
	2012	2013	2012	2013
Salaries	34,750	67,250	59,750	67,750
Administration	20,250	25,000	16,750	32,250
Development	0	26,000	0	26,500
Total	**55,000**	**118,250**	**76,400**	**126,400**

Source: Annual progress reports of the two districts in 2012, and district budget planning 2013

Infrastructure projects are popular among sub-national governments. Despite a comprehensive list of priorities identified in the development plans (discussed in section 2 above), both districts are planning to spend their development funds for road renovation. Dek district is going to renovate a road connecting the district town to one of its communes. In Thmar district, the governor decided to use this year's development fund to install a new sewerage and drainage system around the district centre. Last year, both districts were financed by the provincial budget to renovate roads within the districts.

Implementing infrastructure projects, particularly roads, drainage and small bridges, is common throughout the country. For instance, a recent study by the World Bank of commune councils shows that ninety percent of commune projects are road rehabilitation

(World Bank, 2011b:24). Procurement of infrastructure projects primarily involves one-off expenditure from the development fund, without consideration and allocation of funds for on-going maintenance of the infrastructure. This practice represents a country-wide problem with the use of the development fund without any commensurate budget for recurrent and maintenance costs after the infrastructure has been completed. Politicians rush to build new roads, bridges, schools and irrigation systems so that their achievements can be seen and appreciated by the local people. It is relatively simple and quick to deliver on such infrastructure projects. Furthermore, common problems with the quality of public works projects suggests that one-off spending of capital funds on public works means that officials and contractors also reap the benefits of corruption. In dealing with the institutionalised corruption at all levels in Cambodia, the SNA finance law subjects the annual financial statements of sub-national levels to inspection and audit (Article 43). It also requires that inspection and audit reports be shared publicly, but falls short of suggesting any specific mechanisms for achieving this.

The other important mechanism for dealing with corruption is the district's procurement committee which was created as recently as early 2013 to oversee the implementation of all procurement matters of the councils. This committee is chaired by the governors with a maximum of three councillors as members. It is required to exercise oversight over the council's procurement matters. Specifically, the procurement committees are expected to review and advise the draft annual procurement plan prepared by the district's procurement office for review and endorsement by the council before submission to MEF for review and approval.[20] However, it is not clear to whom this committee is accountable and there are questions about its legitimacy when governors are the chairs of the committee and also in charge of implementing the council's procurement plan. At present, these questions are not attracting much attention as officials from local and national level are mainly busy with training programmes and educating sub-national officials about the many new legal documents that they are expected to know and follow, in order to spend their fund. And, with the national election schedule for July 2013 approaching, the urge to deliver concrete projects to rural voters meant that many decisions over project selections

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[20] Article 12 of Inter-Ministerial Prakas on procurement committees at sub-national level.

and implementation were hastily made.[21] This could set up working practices which are then difficult to alter later on.

A longer-term issue that councils and governors are facing is whether they will be allowed to collect local taxes and other revenue sources as currently district and communes depend entirely on national transfers. A senior official of the Tax Department of MEF whom I interviewed is sceptical that the sub-national level would be allowed to set rates and raise their own taxes any time soon, as it requires changing the national tax law and the existing weak system of tax collection in the country.[22] It is also a question of legitimacy and accountability if the district councils as indirectly elected bodies are allowed to collect substantial taxes. Another senior official of MEF told me that in his view, it will take another ten to fifteen years for local taxes to be collected in Cambodia.[23]

In terms of national transfer, the prospect for substantial increase from the current level (0.8% for districts and 2.8% for communes) to a level of national transfers similar to that observed in the region (i.e., 40% in the Philippines and 25% in Vietnam)[24] is also meeting strong resistance, not just within the MEF but also from the top of the government, according to several of my informants. It is also not clear where the sources of development fund for the DMF will come from after 2013. SIDA is reducing its support after 2013. It has been the only generous donor which had provided budget support for the government's decentralisation programme since the Seila time, and as other committed donors such as ADB and World Bank remains reluctant to put in their money into the government system. Outside of the DMF basket, there is discussion between the government and the donors about setting up a national fund for public works where once this fund is created the sub-national councils can apply for funding to implement large infrastructure projects in their locality. At the moment, this idea has not made any progress (NCDDS, 2012).

In summary, all the evidence discussed above suggests that sub-national councils have very little control over the size and allocation of their budgets and hence their ability to respond to local needs and deliver services is very limited. As a result, the limited bottom-

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[21] Interview with governors of Thmar and Dek, 10 and 16 January 2013
[22] Interview with head of Tax Department, MEF, April 2009 during the formulation of the NP-SNDD.
[23] Interview with Director of Department of Local Finance, MEF, 3 January 2013.
[24] See White and Smoke (2005).

up accountability created by the indirect election is further reduced by the councils' limited autonomy over their finances.

7.4   Conclusion

In conclusion, it is clear that decentralised authority and district councils in Cambodia face enormous constraints, many of which are beyond their control and influence. They are under systematic political pressure and obligations to the CPP and its powerful patronage network, a common political obstacle that prevents decentralisation in many developing countries from realising a democratic development potential. It is also clear that the claim that decentralisation will lead to more responsive and accountable government is more complex than merely putting in place what seem to be appropriate institutions. Essentially, wider forces – social, economic and political – have recently gained significant attention of scholars in explaining the dynamic of governance reform.

The use of indirect election of district councils and centrally appointed boards of governors of the district executive team have shown that the government is not implementing decentralisation as an exercise for democratic deepening nor in the progressive manner advocated and hoped for by donors. Instead, the creation of these institutions is used by the CPP to strengthen the network and capacity of its party officials at sub-national levels, primarily to mobilise votes for the CPP at elections, and to maintain the CPP in power. Furthermore, as this chapter has shown, the examination of the decentralised institutions on power and authority of the councils, resources, accountability of councils and appointed officials, and the mechanism of participation and oversight highlight that the forms and substances of these new institutions are primarily political and consequently result in local government without significant authority, autonomy and resource to perform its functions.

After four years on the job, the councils are still waiting for functions and resources from central ministries to enable them to perform their democratic mandate. There is also little agreement within the government ministries as to what specific responsibility and resources these councils would be granted. The process of transferring power from central ministries to sub-national authorities has been slow and has remained entirely on paper. The transfer of financial resources to sub-national council has recently been finalised with

only 0.8 percent of national revenues being allocated for the district level, the lowest rate compared to other decentralised countries in the region. This meagre resource is merely enough to cover recurrent administrative expenses with very little left for meaningful implementation of district development plans. Provisions to allow districts to collect their own tax and non-tax revenues have not been realised due to additional legal requirements and the sensitivity of the issues. It is clear that the necessary authority and resources these councils need to respond accountably to demands from their constituents are not being granted by the central government. This disappointing result reflects the way in which reform decisions have been observed in politics-as-usual contexts as discussed in previous chapters. The other crucial aspect of decentralisation, that is the accountability relations - between councils and its administration, and councils with their constituents – will be examined in the next two chapters.

Chapter 8   Accountability Relations Between Councils and the Administration

In the eyes of advocates of decentralisation, the aim is to create opportunities for citizens and their elected representatives to participate in and influence the decision-making process, and demand better accountability and responsiveness from the government (Grindle, 2007). Formally, Cambodia's recent decentralisation has achieved both: it has put in place elected representatives at district and province levels and has expanded opportunities for participation in the process of political decision-making. However, experience from commune decentralisation shows that, while local participation mechanisms such as participatory planning processes and council meetings are routinised, the real decisions continue to be made by a small circle of local elites, often influenced by outsiders behind closed doors (World Bank, 2011b:42). Furthermore, commune councils have difficulty asserting their democratic authority and demanding accountability from the commune administration and officials at higher levels of government (Rusten et al., 2004, Thon et al., 2009). In this context, accountability relationships between district councils and the administration, and between the district and commune councils, becomes a key to understanding whether accountability within the sub-national governance system envisaged in the Organic Law 2008 can ever operate effectively to promote democratic development.

In this chapter and the next, I examine the relationships that district councils have with district administrations and with commune councils, as the lowest and directly elected level of sub-national governments. In Chapters 5 and 6, I documented the way members of district councils and district administrations are selected and promoted into their positions and the powerful influence the central government and the CPP patronage network have on these officials. In Chapter 7, I argued that the degree of political and financial dependence of local leaders on the centre and the CPP demonstrates that they are less likely to represent the interests of the people if this clashes with the interests of the centre and the CPP. Contrasting sharply with the expectations voiced in the decentralisation

literature, this practice weakens the downward accountability and responsiveness of local leaders.

In this chapter and in Chapter 9, I examine how the accountability relations inside the district and between levels of government have actually worked and the impact of district decentralisation on relations of power. I will analyse the relationship between the district councils and the administration by looking at the formal and informal political links between them and the official accountability mechanisms that take the form of monthly council meetings. The evidence presented in this chapter confirms previous studies that the domination of executive power observed in national and local levels hinders elected representatives from asserting their democratic legitimacy and hence authority over the executive branch. On the one hand, there is evidence that councillors in some districts tried initially to hold the administration answerable for their actions. On the other hand, the central government, namely the Ministry of Interior, interfered to ensure that its pre-existing hierarchy is maintained despite decentralisation.

8.1   Accountability Between Councils and Administration

Several factors explain the weakness of the mechanisms of horizontal accountability which determine the ability of the councils to hold the board of governors and the officials of deconcentrated offices, publicly accountable for their actions and performance.

Firstly, the councils lack political and legal authority, as discussed in Chapter 7, to establish the accountability of appointed officials to elected representatives. Instead, the central government, particularly MOI, has been granted by the Organic Law 2008 the responsibility for horizontal accountability of sub-national officials.

Secondly, the councils have not exercised any executive power and have not participated much in the actual business of government. Unsurprisingly, they remain invisible in local affairs. My interviews with non-governmental organisations, commune councillors, village chiefs and some villagers in the two fieldwork districts showed that all of these people continue to approach the district governors rather than councils when they need assistance and services from the district. As we shall see in Chapter 9, commune councillors do not know and cannot even name all of the district councillors. Within the district, monthly

council meetings and extraordinary meetings constitute the only mechanism for interactions between councillors and the administration. In both districts, extraordinary meetings, conducted for example by ad hoc council committees, have been held confidentially when quick review and approval were sought.[1] Outside these platforms there is rarely any interaction, except on an informal and personal basis.

With none of their own personnel and units in the field,[2] the district councils depend on MOI's appointed director of administration to provide support in arranging council meetings, drafting agenda and minutes, and sending out meeting invitations. The relationship between councils and the administration is problematic as officials have to prioritise tasks assigned by the governor and higher levels of government, neglecting the support roles they are required to give to the council. The council has to be flexible and understanding of the administration's needs if they want their jobs done. Otherwise, they have to do it themselves, as these remarks show:

> I often had to take notes and draft the meeting minutes by myself because the director of administration and staff is very busy. (Former chair of district council, Thmar district, 2 March 2011)

> If I demand too much from the administrative staff, they would ignore me and one time they didn't arrange meeting tables and water for us for the council meeting. We had to do it ourselves. (CPP Councillors, Dek district, 29March 2011)

> I get very annoyed if the council tells me too much about what I need to do. I am not afraid of them. I just tell them to do it themselves because they earn more than me and do nothing besides that once a month meeting. (Director of Administration, Dek district, 16 February 2011)

These remarks reveal that councils are not powerful in the eyes of the administration. They have clearly had difficulty exerting their democratic authority over the government-appointed officials who can always afford to ignore the requests and needs of councils without fearing disciplinary action by the councils. These issues have also been observed

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[1] Progress reports 2012, Dek and Thmar districts.
[2] The Organic Law uses the term unit to refer to offices specifically created under the district councils to avoid confusion with the office of the line ministries.

at the provincial level and in some other districts around the country, according to assessment visits conducted by MOI officials.[3]

Individual councillors do not relate directly to the administrative staff but rather through chairs of council and the board of governors. Relations between the chairs of the council and the board of governors depend on personal relationships between the chair of the councils and the governors who chair the board of governors. The government was careful when appointing chairs of councils and governors to ensure that individuals selected were those who already had forged strong personal relations and had worked together relatively well prior to the 2009 indirect election. This was to ensure that both institutions – the council and the board of governors– can work well together. In both districts, the governors call the chair of the councils '*bong prathan* (older brother and chair)' while the chairs address the governor by his official title as '*louk akphibal* (mister governor)'. This long-term relationship is regarded by MOI as important for a smooth functioning of the district where cooperation is prioritised over accountability – a situation that renders the councils' ability to exercise effective oversight over the executive very difficult.

Both the chair and the governor are supposed to work together respectfully, accommodating each other's needs and not stepping on each other's toes. The governors certainly know that the chairs of the councils cannot achieve their objectives without the governors' agreement and approval. However, the chairmen are not expected to be informed of and engaged in all the decisions that the governors make. After all, the governors have responsibilities assigned to them by the central government. The chairs of the councils acknowledge that they do not want to be involved in everything if the governors do not want them to do so. One of council chairman explained that: 'I would not ask the governors about issues such as spending or activities that he [district governor] intentionally does not share or want to discuss.'[4]

It is obvious that the council knows that while it is separate from and supposed to check on the governor's performance, this mission is very difficult to achieve. Partly it reflects an understanding that councils are created to support the work of the governors and belong

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[3] Interview with Touch Polponnlok, Institutional strengthening advisor of NCDDS, Phnom Penh, 4 January 2013

[4] Interview with Chair of district councils, Thmar district, 2 March 2011.

to the same parent – MOI. A chair of a council told me: 'Council and governor are from MOI. We are the secretariat for MOI. So we have to work together and not quarrel.'[5] He also expressed the need to *somrorpsomroul* (accommodate) the needs of the governor as he understands the various pressures the governors faced. Working together means not challenging or criticising each other. If there is a problem they can both be seen as incapable and can easily be disciplined by higher levels. A council chairman lamented:

> Council and governor are left hand and right hand in one body. We are not separate and must have good understanding of each other (*yorkyorl*). We are expected [by the party] to be working well together but also a successful organisation makes progress and its leaders do not have problems and fight. So we have to work and collaborate with each other even though the law says differently. (Chair of council, Thmar district, 2 Mar 2011)

As the comment above suggests, the Organic Law 2008 requires that the administration is answerable to the councils through regular reporting and council monthly meetings. However, the councillors told me that this is partly due to the ineffectual legal provisions governing the council. The executive officers (governor and director of administration) have the power to advise the council on how to run its business to ensure that it does the right things. Moreover, the governor is not required to accept council recommendations if he can justify otherwise. For example, in delegating responsibility among the member of the board of governors (BOG) as required by MOI directive 034 dated 28 Dec 2010, the governor drafts its decisions and requests approval from the council. If the council does not agree with the draft proposal, and the governor cannot accept council's recommendation, he has to justify his reasons for not following the council recommendation (p. 12). However, there is no provision for a council to reject any decision of the BOG. Basically, the council can voice its view in the meeting but the BOG does not have to take any notice if it does not suit them.

Furthermore, if the councils are not happy with the performance or attitude of their governors they are more likely to put up with it or maybe talk to the provincial governor within the party structure. In this way the chair of the council might or might not get what he wants but at least he is safe and saves face with both the district governor and the

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[5] Interview with Chair of district councils, Dek district, 29 March 2011.

provincial governor who appointed him. The Organic Law 2008 Article 47 states that 'In the event that there is any abuse of power within its jurisdiction, the council shall report in writing immediately to the Minister of the Ministry of Interior.' If councillors followed this law and quietly made a written report to MOI to remove governors, they could destroy their careers in the government and the party, because they would be seen as disloyal to CPP. The SRP will never be able to send such a report because they would never get support from the chair and the council.

There are cases where CPP councillors have been scolded after council meetings for asking the governors difficult questions. According to a Cambodian NGO leader I interviewed, CPP councillors in some districts that she has worked in told her that 'They were scolded and questioned by higher CPP officials "Do you want to tear each other's flesh and give it to the crow [SRP]?"'[6] An MOI advisor in another province told me that during the first few months after setting up the district councils that there were cases of disagreements and debate between chairs of councils and governors. MOI then intervened and warned them to work collaboratively.

More importantly, the authority of the councils to check on boards of governors is weakened by the patronage-based practices where officials of similar status are bound within the patronage networks (*pakbouk*) to look after each other's interests, share opportunities and watch each other's backs. All of these expectations link to the qualifications of solidarity, obligation and loyalty demanded by the party from both councillors and governors. They are expected primarily to look after the interests of their patronage network. Therefore, efforts are made to ensure that chair of councils and governors belong to the same network. In both districts I studied, the chairs of the councils would talk to the governors if they received any complaint or information from other (opposition) councillors so that the governors can prepare responses if such questions are raised in the council meeting. The chairs of councils also seek approval from the governors before they nominate councillors to be represented in the council committees or to attend meetings and training sessions. Similarly, the governors talk to the chairs privately about certain staffing appointments, project work and travel plans before such news is shared in the council meetings. During the fieldwork, I observed that this

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[6] Interview with Thida Kus, Executive Director of Silaka, Phnom Penh, 25 February 2011.

exchange of information and communication between the governors and the council chairmen is often done by mobile phone rather than in a formal setting. A council chairman and a governor explained:

> The council is new. It's like building a new house in an old village that has already had a master plan. We have to adapt to the village and not the other way around. (Chair of district council, Thmar district, 2 March 2011)

> I am very busy because I not only have to do my work but have to sit in many meetings. The good thing is that my council understands my work. It is good too that there are more people involved in making decisions and so they protect me from being on my own. (Governor of Thmar district, 7 March 2011)

As a result, the only place where councillors, governors and the administration interact and make decisions is within these networks and inside the Party. Officials within the network and the party organise their own meetings in which the district governor (or in some districts the chair of the council) as the chair of the party committee reports on what is going on within the district. Members who have any information about poor performance or disloyalty of CPP officials can share it at the party meetings. They are not supposed to mention to outsiders the issues discussed in the meetings. The meeting is run as a mechanism for checking that everyone is aware and informed of activities or changes happening in the district, including future development projects. It is also a time for sharing with each other activities about opposition parties.

> There is not much discussion. It is more about information sharing and being engaged with what is happening in the district. We cannot talk much about each other's work as we have orders from our boss; we do not act independently. Because if we point to this official about this issue, he will say he is following guidance from above (*kolkar bi loeur*). (Head of agricultural office, Thmar district, 30 March 2011)

> The meeting reflects party democracy in that the governor and I are not the only ones who make decisions but the decisions are contributed to by all members of the committees. (Chair of district council, Thmar district, 2 March 2011)

This relation between the chairmen of the councils and the governors flourish within the hierarchy of the CPP. The chairmen and the governors hold leadership positions as heads and deputy heads of the CPP district committees. These Party committees also include most officials from councils and their administrative staff who are expected to support the work of the Party in the area and coordinate with commune level in supporting visits of central officials through the work of the district working group. In this structure, whether the chairs of the councils are the head or deputy head of the CPP committee, the district governors are more influential and more important in the eyes of the party because the governors can, based on their official positions, provide the financial resources to support party activities. As we have seen in Chapter 6, the district governors, on the other hand, juggle many financial burdens to ensure that official tasks, party work and other informal work are fulfilled. A chair of a district council who is a deputy head of CPP committee frankly told me: 'I am glad that the governor is the head of the CPP committee because he has revenue sources to support the party. For me I do not have revenue sources for the party'.[7]

While CPP councillors and the administration have close and supportive relationships with each other, opposition councillors do not. Most of the information shared between the governor and the CPP councillors is not given to opposition councillors. They only interact with the administration during council meetings and this interaction mostly consists of hearing the reports of the governors which mainly list activities by the different line offices in the district, while the council is not encouraged to monitor and verify if these activities have actually taken place. When opposition councillors bring facts from the field and try to match them up with the information given in the governor's report, the governor's reaction is either to accept the questions and facts but not provide a follow-up response; or accept the facts but say that he can do nothing about them as they relate to other authorities; or reject the facts and threaten to sue the opposition member for causing social instability or defamation. In some cases if the opposition district councillors ask their provincial councillors to take up issues at the provincial council meetings, the chair of the provincial council or the provincial governor refers the issues back to commune councils or district councils as they prefer to only accept issues that have been passed on to them through hierarchical lines. Here are some of their experiences:

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[7] Interview with Chair of district council, Thmar district, 2 March 2011.

It is not like in the Law. The Governor has more power than the council. He controls information and does not share with us [council]. I feel that the council is like a scarecrow [*ting moung*]. (SRP councillor, Thmar district, 26 January 2012)

I told the council during a council meeting that there are trucks loaded with logs operating in the district at night time. Villagers called me to go see the trucks at 10pm. They want us to stop that. The Governor told me I could be sued for motivating villagers to harm the truck drivers and to cause social chaos. (SRP councillor, Dek district, 11 January 2012)

Moreover, not only are the opposition councillors rendered impotent, but citizens who ask opposition party members for help are called trouble-makers and they can easily be excluded from assistance from the governors and the CPP. The opposition councillors face a dilemma of whether or not they should bring up citizens' problems in the council meeting or draw them to the governor's attention, because their experience shows that for some issues the more they bring up problems the worse those problems become. After all, the CPP does not want opposition councillors to gain popularity among the citizens. One SRP councillor in Dek district gave me an example of an attempt to stop a private company using heavy trucks to transport rocks from a nearby mountain which disturbs local livelihoods and ruins local roads. After the road protest, local armed forces were mobilised to the areas and the private company used even bigger trucks to conduct its business. This example shows that having an active opposition party in the district does not necessarily lead to better outcomes for the poor. It is highly context-specific from one district to the next, depending on local level power relations and the way these relate to higher level actors' interests in the particular locality.

In both districts, opposition councillors feel disillusioned about the power of the district council. They also note that they could lodge their complaint about the abuse of power by the governors with the Anti- Corruption Unit (ACU). However, they say that this measure is not effective for them because they would have to declare their wealth just like the governor (and what that means was discussed in Chapter 6), and they note that a provision in the Anti-corruption law states that anyone who provides false information could be fined for five to ten million riel and imprisoned for one to ten years. This proviso has

scared away anyone from submitting a complaint to the ACU. The following remark shows how desperate the opposition members feel:

> I brought a communal land conflict case to the chair of the council. I don't know which authority has sold this plot of land to a Chinese company, and now the company has enclosed all communal roads that villagers use to access their farm land. I speak about it in every council meeting, asking for the council and the governor to help resolve the case, but over six months nothing has happened. The governor said he will have his staff look into the problem. The chair of the council asks me to stop nagging about the same problem. I don't know what else I should do to help them. (SRP councillor, Dek district, 11 January 2012)

As we have seen, influence and power does not come from an official position by itself. Instead, they stem from one's ability to extract and contribute resources for network and party interests and one's link to personal and hierarchy of relations. This undermines the efforts to empower and improve accountability of elected councils as promoted by decentralisation. In fact, decentralisation has perpetuated the subordination of citizens' representatives to party and patronage interests just as it has done at the national level. Similarly, the subordination of state structures to network party interests means that power is still exercised outside of formal governance processes and as a result excludes representatives from other political parties and ordinary citizens from having any meaningful say about how decisions are made and how resources are managed. The explanation of weak horizontal accountability between elected and appointed officials can also be located within the formal mechanisms of accountability in which elected representatives lack the authority to monitor, sanction and exercise executive power over appointed officials. As a consequence, they find it hard to translate popular demands of their constituents into concrete policies and outcomes. This weak horizontal accountability at the district level adversely affects the performance of local representatives, and affects vertical accountability between district councils and their constituents –the commune councils and the citizens at large. Essentially, there is no prospect of strengthening accountability relations between government and citizens and democratic deepening through decentralisation. This point is further explained below when we examine the public meetings of the district councils and their administration over the period 2010-2013 in order to understand the kinds of issues, voices, and activities being articulated within these meetings in the two researched districts.

8.2   District Council Meetings

According to liberal proponents of decentralisation, council meetings should be places where councillors exercise their democratic mandates through which all council decisions about policy, regulations and budgets are debated and justified among councillors before they are adopted and implemented by the administration, and where councils check on progress and the performance of governors and the administration. Public forums like council meetings also constitute an important accountability mechanism for citizens and civil society, including the media, to conduct regular oversight of government performance within which questions are asked and answers are provided.   Yet in Cambodia, both the provisions in the law and actual practices do not reflect intentions to achieve such objectives. The Organic Law 2008 requires that council meetings be conducted publicly but it does not require councils to publicly disseminate their decisions or minutes apart from providing an annual meeting calendar on the district notice board. In fact, the calendar is not especially useful because last minute changes frequently occur. The law also allows councils to hold confidential meetings where public notice and sharing of key decisions from the meetings are not mandated. Finally, the Law also requires that the district holds an annual public forum with its constituents to share its annual progress reports and to answer questions from the public. In both districts no such public forum has been organised, the excuse being that detailed guidelines from MOI have not been provided.

Over the last three years, districts have held more than thirty council meetings. Some have held meetings more regularly than others and some have permitted questions and discussion from councillors. The director of administration prepares the agendas, reports and the invitations to councillors. The directors are also responsible for publicising the meetings. Any citizens who wish to attend a council meeting are required to register their name and address one day in advance at the district office. Reviewing minutes from the different council meetings, I found that so far there have been no citizen observers, including media and community-based organisations, nor reporting on any outcomes of council meetings. This problem can technically attributed directly to regulations from MOI to sub-national councils which do not instruct them on how to engage with commune councils, citizens and civil society and how to disseminate meeting minutes to the public. Use of broadcast media is also limited. At the provincial level, provincial council meetings

are broadcast on national television but broadcasts are too short to give any substantial information except to disclose the agenda items and participants of the meetings.

All over the country and for both district and provincial councils, the meetings must have three agenda items according to MOI guidelines: (i) To endorse the minutes of the last meeting; (ii) To approve monthly activity reports of the board of governors and line offices; and (iii) To discuss other business. Individual councillors cannot propose agenda items for the meeting; it requires one third of the councillors to do so. The meeting is attended by councillors, the board of governors, staff of the district administration, and line offices of the central ministries. In some meetings the chairs of the councils invite commune chiefs to attend. The meeting usually takes place on one day between 8 and 11 in the morning. I observed that governors (particularly at the provincial level) are often absent as they are busy with high level activities such as accompanying central officials visits, attending meetings with provincial or higher officials figure and so on.

The liveliness and quality of council meetings depend on individual members of the council and board of governors. In the six council meetings that I attended in three districts between 2010 and 2012, the chairs of the councils and governors spoke the most and mainly disseminated general information about events in the districts without discussing any issues of concern to citizens. Each of them could talk for almost an hour. Male CPP councillors tended to take the floor to make unnecessarily long comments about correct spelling and phrases to be used in the minutes and sometimes to counter comments and questions from opposition councillors, who do not usually dare to ask questions and raise popular concerns although the chairs of the meetings invited them to ask questions after each agenda item and showed eagerness to hear from them. If the opposition councillors had any particular issues they would like the councils to discuss, they had to have those issues included in the agenda of the meeting, and over the last three years that had not happened as opposition councillors in most councils commanded less than one third of the seats.

Female councillors were not vocal or active in these meetings. They were often silent throughout the meeting. The female councillors told me they felt that they were not constrained from speaking but they were afraid of making mistakes and therefore

preferred to keep silent, and they felt that they needed to respect the hierarchy in which CPP councillors were older and had more experience.

The council meetings have not provided new processes for social engagement with the people as was intended by supporters of decentralisation. So far these meetings have merely been a way to share information within the district, for CPP to extract information from the opposition, and for the councils to approve governors' reports.

Currently, one of the activities of the EU-SPACE programme is to help district councils implement their roles by providing training about laws and debating skills, getting exposure and sharing experiences with councillors from Germany, and developing an operational manual to help guide the councils in conducting their meetings and daily activities. One of SPACE's targeted areas is one of the districts adjacent to Dek district. Although the programme had completed its first phase and was being extended, I did not gain any impression that it had made any difference. I was told that villagers participated in council meetings in the district where the SPACE programme operated. They dared to raise their concerns for attention and asked for assistance from officials but there was little public scrutiny of the government in these forums. Furthermore, opposition councillors were barred from attending the public forums, according to the SRP councillors in Dek.[8] It is also not clear that citizens' concerns and requests collected at these meetings have ever been addressed.

After each council meeting, the minutes are drafted by the directors of administration. I found that the quality of the minutes varied from place to place with some districts providing more detailed accounts of who attended and what issues were discussed, while others only provided a one or two page summary of the whole meeting, omitting much of what was discussed. The Organic Law 2008 does not require the councils to disseminate their minutes or main decisions from the meeting to the public. Nonetheless, council meeting minutes must be sent to provincial office and MOI for checking to see whether or not the district councils follow the laws.

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[8] Interview with SRP Councillors, Dek district, 11 January 2012.

Below are descriptions of council meetings in the two districts I studied, drawing from my own observations and minutes of meetings kept at MOI.

8.2.1 Council meetings in Dek district

The 19th council meeting of Dek district started at 8 in the morning of 16 December 2010. The meeting took place in the council building behind the office of the district administration. The chair of the council sat on one side of the rectangular table, flanked by the councillors seated in order of their rank in the party list and with opposition party members seated even farther from the chair. Opposite the chair of the council sat the board of governors (BOG). Behind them were staff of the district office and some representatives of the line offices. In total, 32 people participated in this meeting. There were no representatives from the commune councils, citizens, civil society or the media. I was allowed to observe the meeting because I had a letter from MOI. The Governor and the chair were planning to attend other meetings at the provincial level on the scheduled council meeting day, but because I would be in the meeting, they decided to reschedule the council meeting so that they both could be there. They were afraid that their absence would affect the quality of the meeting that I would be observing.

There were as usual three agenda items for the meeting. First, after welcoming remarks from chair of the district council, the director of administration did a head count of councillors to establish that there was a quorum for the meeting. The Organic Law 2008 requires two thirds of members to form a quorum. In this case, the quorum was 11 councillors which was easily met by the 14 CPP councillors present. A female director of administration then stood up and read aloud the minutes from the previous meeting. The chair invited comments and corrections from the meeting. CPP councillors made suggestions to change words or correct spelling in the draft minutes. A SRP councillor asked for clarification from the board of governors about his questions at the previous meeting about the unbelievably low collection of slaughter tax. He was told by businessmen that they pay 8,000 riel for a pig and 13,000 riel for a cow; and in one day in that particular market they slaughtered no fewer than 10 cows and 25 pigs. According to his calculation, the slaughter tax revenues collected per day was more than the reported monthly revenues of 81,000 riel: the councillor was clearly pointing to corruption. Another issue that he raised was a complaint from villagers about Vietnamese

telecommunication whose power generator to operate the antenna produced dark smoke and loud noise affecting villagers' health. He warned that if no clarification was provided on these questions he would get Radio Free Asia and Voice of America to broadcast them. A female CPP councillor criticised his warning, saying that this kind of problem could be resolved without publicity so that potential conflicts could be avoided between the board of governors and businessmen. A male CPP councillor agreed with her and said if such news leaked out on radio it would negatively affect not only the reputation of BOG but also the council. Another elderly CPP councillor told SRP councillors that the practice relating to tax collection had been in effect for a long time. We [council] should not bring up this issue in the meeting, he said; we should only think about future activities of the council mandate otherwise both council and BOG could lose credibility for failing to resolve the problem which he claimed was the responsibility of the line departments and central ministries. Another SRP councillor requested that patent tax be collected as stated in the business book and not through negotiation. No amendment was made to the minutes after this discussion and thus the matter was not recorded. All CPP councillors raised their hands and the minutes were adopted. SRP councillors did not raise hands. In the minutes it was reported that that the motion was adopted by 17 votes. That single agenda item took two hours.

The second agenda item was to discuss and adopt the monthly progress report from the board of governors. Because the governor was absent, attending a meeting in Phnom Penh, a deputy governor read the progress report. A male CPP councillor requested that activities of all line offices presented in the district be included in this report. The deputy governor agreed with the request and said that he would seek guidance from the BOG meeting. A male CPP councillor requested that all comments and questions be fully recorded in the minutes. Other CPP councillors provided additions and changes of words in the report. All four female councillors were silent. The progress report was adopted unanimously with no abstentions.

Finally, the chair of the council called for any other business to be discussed. This was the time where SRP councillors were expected to speak up. A SRP councillor stood up and reported corruption cases in a particular commune. He said: 'In this commune the clerk charged USD20 for marriage certificates, USD25 for a copy of birth certificate. The clerk also increased the age for young children to go to work in Malaysia for USD50 per case.'

Another SRP councillor reported that the assistant to the commune chief charged one man USD9 for a death certificate and USD20 for another. The Director of Administration clarified that the MOI instruction for civil registration fees was that in most cases there was no charge or less than one dollar. The Chair of the district council thanked the SRP councillors for their reports. He thanked everyone for their attendance and reminded them about their monthly contribution to the Red Cross.[9] The meeting finished at 12.15 noon. I noticed that everyone was patient and careful in signing their attendance report as these records are sent to the provincial governor and MOI for checking. Councillors could be replaced if absent three times from council meetings without prior approval.

Issues brought up by the SRP councillors in this meeting received elaborate responses in the following meeting which I also attended. Regarding the corruption cases with civil registrations involving the commune chief and clerk, the accused commune chief sent a letter to the district council denying any wrong doing. He also sent three letters from the families which SRP councillors reported having paying bribes to the commune. During the council meeting, a CPP councillor read aloud the three letters with thumb prints from families. In these letters, the families declared that 'They did not pay any money to the commune as alleged by the SRP councillors.' The SRP councillor asked for a copy of each letter but it was refused. The chair of the district council ordered that the SRP councillors end the case and said that no one was a winner or loser. Outside the meeting the SRP councillors told me that they have submitted many complaints in the Commune Accountability Box but had never heard or seen any action. They said they also submitted a letter to MOI in 2008 about corruption and use of intimidatory language toward SRP households by this particular commune chief. Nothing had changed and no action was taken by MOI. I was also told that the district governor talked to the commune chief and the clerk and warned them not to repeat such incidents as reported by SRP councillors. The chair and the governor knew that this commune chief was collecting money from

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[9] Civil servants are expected to donate a portion of their salary to the Red Cross fund (or a total of half million US$ per month just from civil servants). They have no choice because the accountant of each government organization deducts whatever amount before the salary is cashed. In the district council, each councillor is expected to contribute 10,000 riel per month of their take home salary automatically withdrawn by the director of administration. Red Cross Cambodia is able to mobilise considerable funds both from public officials and also from tycoons (*oknha*), military and investors because it is chaired by Hun Sen's wife. The Red Cross represents one of the funding sources for the CPP, allowing it to spend lavishly on rural development projects and emergency assistance to the grassroots. The Chair of the district council/governor is also chair of the Red Cross district branch and is responsible for collecting *generous* contributions from citizens, businessmen and other benefactors (*saborouschhun*) for district level emergency assistance programmes.

villagers but I was also told that he was capable of intimidating opposition and villagers. (In Khmer the governor said the commune chief was good at *deur chhe baak brachhang,* literally someone walking around to scold the opposition party.) CPP needs him for that capability too. It is not clear whether issues brought up in a council meeting by the opposition would get solved or improved, but at least it seems that allowing the SRP representatives to speak serves as a mechanism for the CPP to keep informed about other CPP officials' performance and to keep each other in check which was one of the goals identified by councillors discussed in Chapter 5.

Regarding issues relating to the slaughtering tax, the governor (rather than the responsible government office – the tax office) clarified that the tax for pigs is 1500 riel and for cows, 3000 riel. The governor said he would like to know who told the SRP councillors about the charges and asked the SRP to provide written a report and evidence so that he could discuss it with the tax office.

Regarding the antenna of the Vietnamese telecommunication and mine extracting company Thai Lo, the governor said they had a license to operate issued by the Ministries of Defence and of Mines, Energy and Industry. He had tried to talk to them about the issues reported but could not guarantee any outcome. He also mentioned that he would seek provincial guidance on these issues, but that he would not dare to press the issue too much as the 097 phone operated by a Vietnamese company provided favours to the government, including a free land line to all government ministries and provincial offices.

Everybody was quiet and listened. No one asked the governor any questions. It had been a long meeting and now the time was close to 12 noon. The governor politely asked the chair of the council to wrap up the meeting and not allow any more discussion. Then a female councillor raised her hand and requested the chair of the council to assign each district councillor to a commune which they could be responsible to work with. The chair refused and asked to wait for MOI instruction before councillors could do that. As SRP councillors later told me, only the three of them spend their monthly allowances to visit villages and citizens collecting all kinds of problems for the council meeting. The CPP councillors are not doing that; they only come to the meeting. The meeting finished with an agreed date for the next meeting.

Overall, I can say that having observed other districts and talked to officials at provincial and national level the dynamic within the district observed in Dek is not exceptional compared to other districts in the country. The common observations are that council chairmen are relaxed and don't pay close attention to the work of the council and the governor. For instance, during council meetings the council chairman of Dek district usually spoke at length about his experience during the 1980s, government policy, and who he knew in Phnom Penh. He would point to councillors or governor if he wanted them to speak. Governors usually only speak when it is their turn to deliver the district's monthly reports. During other times in the meetings, they read and check on other administrative papers submitted by their staff. This means they do not pay serious attention to the council meetings. In Dek district, for example, the governor told me that he often had to miss the district council meetings to attend meetings in the provincial level and in Phnom Penh or to accompany guests.

Furthermore, both CPP and SRP officials believe that there are opportunities for SRP councillors to speak and raise problems within the councils, although some SRP take advantage of this and others don't. In Dek district, the three SRP councillors are very outspoken while, as I will show below in council meetings in Thmar, SRP councillors choose to be quiet. In Dek, they get a chance to speak and say what they plan to say in the meetings, the chair of the council often invites them to speak first as well in the question and answer time. But because they are outspoken, the relationship between CPP and SRP in this district is poor as the SRP tries to point to problems and the CPP tries to prove that SRP information is not valid.

I also observed that commune councillors were not attending the council meetings, either because they were not invited or because they chose not to come. Members of two commune councils that I visited in Dek told me that the meeting had nothing to do with them. They had attended district council meetings for the first few months that they occurred. They were bored and decided that spending a whole morning at such a meeting was a waste of time. They decided to stop attending. Commune chiefs did not know much about what the district councils were doing and as a result had not shared any information about district councils with village chiefs and the people. Both village chiefs and their people are not aware of district council meetings not to mention attending one.

The final observation to be made relates to participation of representatives from central ministry offices within the districts. Generally, they did not attend the council meeting although they are required to do so by law. They attended only if invited by the district governors. In Dek, I observed that line officers would be invited to attend if there was an issue and question relating to them, for example, to answer questions from SRP councillors. Each of the line offices provides their monthly activities report to the governors to be collated for the council meeting. However, a completely different practice in Thmar is observed where the attendance of line officers is mandatory.

8.2.2 Council meetings in Thmar district

The 21st council meeting of this district took place on 28 January 2011 in the meeting room of the district office as the council did not have its own space. The chair of the council and the governor sat side by side, flanked by councillors on the chair's side, while the board of governors and district staff sat on the other side, in accordance with MOI's guideline on council meetings. In this meeting the head of the police and representatives from line offices attended. Several commune chiefs and a members of the local pepper farmers association were there as observers in this meeting but not the following one. In total, 38 people participated in the meeting. It was planned to start at 7.30am and I was there with all the councillors but the chair could not start the meeting until the board of governors arrived and were seated which was about 8.20am. The Chair of the council told me: 'It is usual for the council to wait for the governor which indicates who is more important.'

The meeting opened by adopting the last meeting's minutes. A female CPP councillor read them. There were several long comments, all from CPP councillors, about improving phrasing, correcting statistics and locations, and filling in titles of individuals who had made comments in the last meeting. No councillors from the opposition party spoke. After almost two hours, the minutes were adopted unanimously by the 17 councillors, including those from opposition parties.

A male deputy governor then read the progress report in full, providing a list of what activities had taken place under the category of social, economics, security and gender. This took more than 30 minutes. It was followed by correction by line officers and the

board of governors of some details and statistics, locations etc. A SRP councillor asked for clarification from the police officer about the cost of obtaining a family book,[10] as some families had told him they paid 50,000 riel, and for over a year they still had not received the family books. Recently the police have asked these families to pay an additional 30,000 riel. Invited by the chair to clarify, the Police officer said:

> Officially there is no cost for citizens to get a family book but as you know we need to pay for equipment and gasoline to visit the family, and when we have campaigns for families to come forward and make one they don't and later when they need it they come to us. So we only ask them to help us with our daily work. We ask them to pay 20,000 riel.

He continued, 'Actually it is wrong to either give or take money for unofficial charges like this, even 500 riel, and both could be subject to prosecution.' The police wanted to scare the SRP councillors by pointing to the Anti-Corruption Law which states that not only officials who received bribes but also citizens who paid them bribe could be prosecuted. The chair of the council thanked the police officer for his clarification. The chair asked the SRP councillor if it was clear to him that there was no charge when people requested their family books during the government campaign period but, other than during campaign period, a payment is required. The chair said he appreciated the SRP councillor's question and encouraged more of such questions for the meeting, as he said 'The council wants to address concerns of the people, and wants to meet their needs.' He continued: 'We don't want to be called corrupt.' There were no other questions. The progress report of the BOG was adopted unanimously.

Finally, the 'other business' agenda item was not blank like the one in Dek district but was fully planned for the governor to provide an update of his personal activities. He took the most time of the council meeting: as in two consecutive meetings I observed, he spoke more than 60 minutes non-stop. He started by thanking everyone for coming to the meeting and especially emphasised that everyone was very busy including himself, since there were so many meetings to attend after the implementation of decentralisation. As the first issue the governor asked commune chiefs to monitor more closely the work and dress code of commune clerks and if they could not discipline them the commune chiefs needed

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[10] A family book is an official document for registration of family members.

to inform the director of administration. The governor then talked at length about implementation of an MOI instruction on a village and commune safe neighbourhood programme which was intended to reduce robbery and crime, drugs, women and children trafficking, gambling, and violence. Under this policy, committees are created at village, commune, district and provincial levels in which villagers, local authority and the armed forces are expected to work together through a monthly public forum at village level where villagers are to report and share problems in their village. As a third point he asked the commune councils to build not only roads but also irrigation channels. The governor then reported on a wide range of meetings that he had had with potential investors. He told the meeting that the provincial governor had agreed to provide a land concession of 700 hectares to a company for rice farming for which he said the company has agreed to build an irrigation system across five communes, where it would benefit not only the company but also villagers who could access the system. A Vietnamese company was also interested to invest in a sugar plantation in the district and was looking for 1,000 hectares of land to rent from villagers. He said he had approved their request and asked the commune chiefs to help find land from villagers for the company. Two other companies were looking to invest in pepper farms and cassava plantations.

One of the commune chiefs reacted and told the governor in the meeting that villagers did not want to rent their farm land for cassava plantation as the contract covers the whole year, meaning the villagers could not grow rice. The governor explained that investors only needed six months. He said 'We need to negotiate with the villagers and we need to cooperate with the investors as we don't want to leave our land idle, and the investors do not want to have any problems with the villagers if they decide to invest.'

The governor went on to provide an update on the Red Cross activities in the district: what funds they collected and how many new members were recruited. The governor instructed members of the Red Cross committee (of which he is the local chair and the chair of the council is the deputy) to mobilise local businessmen to be members. He told the meeting that the district did not have enough money to buy uniforms for 100 Red Cross youths so he asked the provincial governor to request contributions for the cost (about USD2,000) from the casinos. The governor told the two commune chiefs whose boundaries overlapped with a park, that income collected from the park was for them to keep for park maintenance and that the district would not take the revenues. Finally the governor

advised participants to improve their capacity and understanding of legal documents so they could adapt to new policies, and to learn to change their behaviour from being purely administrators (*neak trout tra*) to service providers for the people. The chair of the council closed the meeting at 11.15am.

The following meeting had similar agenda items and progressed like the previous one, except that in this case the council had to create a committee on women's and children's affairs and adopt a calendar for formulating the council's five year development plan. In this meeting there was no representation from commune councils. Representatives of many deconcentrated offices attended, but stayed quiet throughout the meeting.

After adopting the minutes of the last meeting, the council heard and adopted the progress report from the board of governors. No hard questions were asked and not one of the opposition councillors spoke. In the discussion about the committee on women's and children's affairs, a SRP councillor asked the council to consider having three councillors in the committee for women and children affairs so that one SRP councillor could be represented. The governor refused and explained to the council that MOI provided the template which precluded the district level from determining how many councillors should be on the committee. There was provision for only two councillors on the committee, and since the CPP had the majority, the two councillors selected were both CPP. The committee adopted this in the meeting without any change.

Then the council discussed a calendar of activities to formulate a five year development plan. The process of developing the plan is jointly managed by MOI and the Ministry of Planning. The responsible committee to draft the plan at the district level is called the planning working group. After one week of training sessions delivered by trainers from provincial and central level, the working group drafted a calendar of activities for the council's adoption. In less than a month, the council had to have a draft development plan for review by the provincial governor. During the council meeting, the chair of the council wanted to suggest some changes to the calendar of activities so that there could be spaces between meetings to review the work of the working group. This request was politely rejected by the planning officer who told the council that he was afraid that the plan would not be completed on time and to make changes to the draft activities meant deviating from the MOI guidelines. The governor also said that he was responsible to MOI and the

provincial governor for making sure that whatever was required from above was done exactly as instructed. The chair of the council explained that he did not want to change anything, and what he wanted was to try to organise meetings in a better sequence. The planning officer and the district governor took turns to explain to the council what needed to be done, when and by whom. Finally, the council agreed to adopt the calendar but added that the actual meetings could be flexible. Although the next day was a public holiday, the working group had to work on the plan: it was checking with commune councils on their list of priorities.

A number of observations can be made about the dynamic of the Thmar district council. The chair of council in this district is actively engaged with the work of the administration and in the council meetings. The district governor meanwhile is extremely busy (often reading letters and signing off documents while attending council meeting) with other work and able to point out to the councillors how busy he is in attracting development projects and investment in the district. This strategy has helped smooth out the relationship between the CPP and the opposition party which has one third of the seats. It redirects the SRP's attention to the prospect of rapid development. The SRP councillors are overwhelmed and amazed at the pace of growth and cannot keep up with the flow of information. My interviews with SRP show little anger or frustration with the chair or the governor. On the contrary, they feel they are very satisfied with the work of the governor, saying he is responsible for many developments. None of the more contentious issues and concerns voiced by villagers I interviewed in focus group discussions were raised in the meeting. Some of the issues that the district administration could have addressed included the need to provide birth certificates for school-aged children who need them to enrol in school, the problems of vegetable traders who were stopped by road police to pay informal fees, and of Vietnamese traders who sell cheap and expired products in the market, land conflicts and especially everyday security and safety which was a big concern to stall-holders in the markets.

The peculiarly smooth relationship between the CPP and the opposition in the district could also partly be due to personalities. Opposition members were not active in asking questions although there are six of them: rarely have there been questions raised in the council meetings. The same SRP councillor spoke during the meeting that I observed. Others seemed nervous about just sitting there in the meeting, let alone standing up to ask

questions. Here in this district, the opposition had one third of the seats and so they can propose agenda items for the meeting but they have not done so. The SRP members told me they plan to propose an agenda item on the police and military roles in mediating conflicts because they found that there are many cases where the victims get less than half the agreed compensation as the other half is kept by the mediators. But so far they had made no move to raise the issue in council meetings according to my review of the meeting minutes.

In summary, both district councils have become accustomed to the routine of the council meetings that is much more about fulfilling legal requirements and complying with MOI guidelines than it is in performing their functions as representatives of the people, in a manner similar to the commune's participatory planning process.[11] My observation and conversations with government officials at provincial and national level as well as NGO representatives confirm that the council meetings that I observed are similar to those in the rest of the country. Except for a few SRP councillors in Dek district, councillors dare not ask difficult and sensitive questions to the board of governors and the government's civil servants. This in turn has weakened the councils' ability to exercise checks and balances over the boards of governors. Some of SRP councillors take advantage of these public meetings to criticise the government, but are less successful in getting the councils to pick up their concerns for debate and in gaining responses from the boards of governors and the administration. Currently, there is no single district council with a chairman from opposition parties and hence there is no way that they could implement an agenda that would substantially differ from what is being done in the CPP dominated councils. This make-up of councillors is very unlikely to change in the coming 2014 indirect election as the CPP still dominated the recently held 2012 commune elections.

The participation of local constituents such as commune councillors and civil society in these meetings has so far been absent. Efforts to engage and reach out to these actors are limited to posting meeting calendars on district notice boards. However, participation of representatives from deconcentrated offices is increasing due to the requirement to have an integrated activity report for each district. As such, there is notable improvement in the sharing of information between line offices and district authority. Nonetheless, these

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[11] See World Bank (2011:7).

meetings are pretty much a one-way communication and information-sharing from officials of central ministries to the councils, exhibiting common characteristics of public meetings observed elsewhere in Cambodia. The result has been continued upward accountability of government service providers despite official rhetoric about moving service providers closer to the people.[12]

8.3   Conclusion

As shown in Chapter 7, the government implements very limited forms of administrative, service delivery and fiscal decentralisation that would constrain the decentralised authorities to be held accountable for local services by their constituents. The government also fails to put in place effective mechanisms for horizontal accountability between elected and appointed officials. This failure further restricts the potential of local councils to demand and exercise checks and balances on the government. Although the appointed officials (i.e. the boards of governors) are required to be accountable to the district councils in the Organic Law, in reality councillors are supporters and clients of the board of governors inside the CPP's patronage network. In effect, CPP councillors are precluded from engaging in serious questioning of the performance of the board of governors. As for councillors from the opposition party, they are marginalised and often excluded from genuinely participating and influencing policy and decision making, in the same way as happens at commune and national level politics.

In addition, the failure of the district councils to hold boards of governors and appointed officials accountable exacerbates the already weak downward accountability of the district councils to the commune councils and then constituents. And we shall see in Chapter 9, lengthening the chain of accountability (where the people elect the commune councils, commune councils elect the district councils, and district councils hold boards of governors accountable) simply reduces the effectiveness of decentralised system. The accountability of appointed administration to elected representatives is important in making the decentralised system work. But, insofar as the decentralisation is implemented, the roles of the district councils are relatively passive, merely to review and approve the work of the boards of governors rather than monitoring and scrutinising the work of the governors who are given the power to prepare, advise and implement the council's

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[12] See Government's Public Service Delivery Policy in 2005.

policies. Existing mechanisms of accountability such as the public council meetings, reports from the board of governors and representatives of ministries on their planned activities and achievements to the councils, have not been met with any serious questioning or scrutiny of the government on behalf of the public. Instead these meetings reinforce hierarchies of status and in so doing entirely undermine the supposedly democratic intent of the meeting.

Furthermore, efforts to engage with the people and civil society have also been minimal and weak, contrary to what much decentralisation literature promises. So far they have been completely omitted from participation in important processes like development planning and council public meetings. Implementing the decentralisation this way is unlikely to support the realisation of popular accountability in a manner that could challenge the existing power hierarchy in Cambodia in the foreseeable future. The next chapter examines the interactions and relations between the district and the commune level in understanding how the promotion of downward accountability envisioned in the Organic Law is being put into practice by MOI.

Chapter 9   Accountability Relations Between Communes and Districts

Commune councils are the only level of sub-national government which is directly elected by the people. They represent the democratic foundation of the local governance system and hence help contribute to the legitimacy of higher levels of government. The Organic Law 2008 also states that the district is accountable to the communes which indirectly elect the members of district councils. This should presumably offer communes some authority to make demands on behalf of their constituents and to exercise oversight of higher levels of government. However, the communes have had difficulty in holding the district to account. For example they have been unable to do so via their participation in district council meetings as discussed in chapter 8. Instead, the implementation of the district decentralisation is reasserting pre-existing hierarchy relations rather than promoting bottom-up accountability.

This chapter examines the ways in which these hierarchical relations between communes, districts and the CPP are being re-established through decentralisation. It also discusses the kind of problems this decentralisation programme faces in realising accountability between district and commune as envisaged by the Organic Law 2008. Starting with a discussion of the reasons behind the decision by the party and government to use indirect election from commune to district level, the chapter examines the implementation and effects of this system on the communes, and then moves on to examine the impact on relations and accountability between commune councils on the one hand and district councils, district administration and the party on the other hand.

9.1   District Indirect Election: Accountability to Whom?

In Cambodia, district councillors are not elected by the general population but by the 11,331 commune councillors through a party list system in which they vote for the party which put them in the commune council seats. Since it controls 61% of commune councillors in 2007, the CPP has secured control over most district councils throughout the

country in the first district and provincial council election held in 2009. Actually the CPP received more votes than expected. Figures from the National Election Commission suggested that some non–CPP commune councillors voted against their own parties in favour of the CPP. The SRP claimed that about 10% of its commune councillors voted for CPP district councillors because they were intimidated and offered money for their votes.[1]

The indirect election of the district councils means that there is no direct accountability of higher levels of sub-national government to the people at large. This problem is further exacerbated by the fact that commune councillors are not allowed to stand in or have voting rights in district or provincial councils. This makes accountability relations of higher levels of government to the people and to the commune councils more challenging to achieve in Cambodia compared to other countries where all levels of local governments are directly elected or where councillors of lower councils hold voting rights in higher level councils.[2]

This weak accountability is further complicated by the use of the proportional party list system because it allows parties to dictate to and control their commune councillors: they are constrained to vote for their party even when they, or more importantly their constituents, do not like candidates represented in their own party list. For example, my interviews with commune chiefs in the Dek and Thmar districts indicated that they were not very happy with the selection of some individuals such as a former police officer and relatives of district and provincial high-ranking officials by the party as candidates of the district councils. And as shown in Chapter 5, candidates favoured by commune councils were ignored and did not get appointed to the district councils. These examples represent cases of conflicts between the commune and higher levels where commune councils are not able to elect district councillors who could effectively advocate for their communes' interests.

The issue here is that the commune councillors are faced with a powerful conflict of interest. On the one hand they are supposed to represent the interests of the voters who elected them and to whom they are ostensibly accountable. But on the other hand the party

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[1] Interview with SRP district councillors, Dek districts on 30 March 2011 and Thmar District on 29 February 2011

[2] A comparative study of sub-national councils and elections in Asia can be found in Crook and Manor (1998), and White and Smoke (2005).

list system means that they are chained to the party and will not get an opportunity for re-election as commune councillors if they do not support their party's candidates. It undermines not only the accountability of the district councillors to the commune councils but also the accountability of the commune councillors to the voters in questions of district level policy and decision-making.

In addition to the weak bottom-up accountability displayed by the indirect election, the CPP internal party process also offers few opportunities for commune councils to influence the candidate selection process for the party lists. During preparation of candidate lists, some commune councils were asked to submit a few names but they were not consulted about who would finally be in the list: they were just informed about it and told to vote for the party list. Only two of the four communes studied said they had submitted names to the CPP party list for district councillors. Although the districts agreed to commune councils' request to submit names for district councillors, none of the names proposed by the communes was included in the final candidate list. Two commune chiefs said their proposed candidates were only put in the reserve candidate list.[3] The district governors explained that it was not the instruction from above to have the commune propose names for the district councillor, but they wanted to show that active party members who did not get elected to commune councils were not neglected. In Thmar, the commune chiefs did not bother to propose names, citing they did not have any potential candidates. In neighbouring districts, communes were not allowed to submit names or make demands in the preparation of the candidate list. This process is quite different to the experience documented in commune decentralisation where the party uses internal party selection processes to get better information on who is popular at local level, and in some communes this information is acted upon (Thon et al., 2009, World Bank, 2011b).

One commune chief described his experience: 'The district only took the names from my commune to fill in the reserve list'.[4] The commune chiefs regretted having spent time and money to support their local activists for the positions. Final decisions rested in the hands of provincial and central party officials, not at commune or district level. Commune council chiefs asked the district governor to include one of his nominees in the final candidate list but only met with disappointment when the candidate list was revealed in a

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[3] The CPP prepared two lists: candidate list and reserve candidate list.
[4] Interview with commune chief, Dek district, 31 March 2011.

party meeting. There was no discussion during the meeting which just informed the commune councils of the candidate list and required their endorsement on the voting day. One of the critical commune chiefs felt that the proposed top candidate was not capable to be the chair of the district council but dared not air his view with his party superior.[5]

Some commune chiefs were disappointed with the party choice because the elected district councillors are mainly retired officials from the district and provincial areas rather than having representation of local officials residing in communes within the district. This kind of representation, the commune chiefs said, has resulted in district councillors who are not committed or interested in problems of the local level. It has also inhibited a close and equal relationship between communes and the district councillors. This, they assert, looks similar to the relations between communes and senators whom they elect but with whom they have no accountability relations because, as one of them put it, 'the senators are high ranking officials and rich tycoons while I as commune chief don't know the senate and have not been able to ask for help'.[6]

Despite much disappointment, the commune councillors feel they are not in position to decide who should be in the list and if they try to exert influence they could be viewed as challenging the party hierarchy. This might be rooted in the fact that they themselves owe their position to the CPP: although they are elected by the people they would be removed if they lose their affiliation with the CPP. For example, a recent study by the World Bank found that a commune councillor in Kompong Cham province was unseated from the council, expelled from the CPP and put in jail for joining with villagers in protesting against the government over an economic land concession (World Bank, 2011b:30). At the national level, research has also shown that members of the National Assembly were fired from their democratically elected positions by the CPP because they did not follow party instructions.[7]

Thus the power to appoint and discipline councils both at commune and district levels rests with the party and in an important way decentralisation has strengthened the party grip on local affairs. Experience from direct elections of commune councils indicates that

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[5] Interview with commune chief, Dek district, 1 April 2011.
[6] Interview with commune chief, Dek district, 31 March 2011.
[7] See, for instance, Committee for Free and Fair Elections in Cambodia (2010:6).

communes suffer similar structural constraints. As the third commune election scheduled for 3 June 2012 was approaching, the commune councillors were aware that local support from their party peers was important but not sufficient to ensure they were on the list. They stressed to me that their fate depended on the decisions of party officials above them who regularly reminded them that 'Commune councils are created by the CPP, and even though you are elected by the people the party can remove you anytime it wants'.[8]

While this is true, other factors are also important in determining who gets selected in different communes and are highly context-specific from one commune to the next, depending on local level power relations and the way these fit with higher level actors' interests in that particular locality. A CDRI study on local leadership in three communes also showed that in some communes where there are powerful actors involved in large development projects like plantation or economic land concessions, connection to and ability to assist the national level to implement its plan are important factors determining the commune candidates (Thon et al., 2009). Of the four communes visited for this thesis, two have new commune chiefs since the election. When one of the commune chiefs in Dek district died, his deputy was promoted and got elected. The deceased commune chief was seen as very corrupt according to my interviews with villagers, but he was able to remain in his position because he was seen by the party as effective in mobilising membership for the CPP, implementing commune development projects, and intimidating opposition party officials. In Thmar, one of the commune chiefs was replaced due to his old age and poor health. A female district councillor of Thmar district was selected by the party to replace him and finally confirmed in the commune election. She was a bit hesitant when asked about her move from district to commune level but told me 'I was persuaded that I could help the CPP win the election as I am well-known among the people in the district for my work for the Red Cross'.[9] Thus, the internal party processes employed in commune elections pays more attention in choosing candidates that the residents of the commune like for the party list whereas the internal process for the district (and the province) candidates did not allow for bottom-up influence.

Overall, the way this indirect election is designed and implemented is very complex, making it hard to imagine how the commune can demand accountability from the district

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[8] Interview with commune chief, Dek district, 14 January 2012.
[9] Interview with former Female district councillor, Thmar district, 16 January 2013.

councils. Instead of instituting and implementing a system that could expand opportunities and empower communes or voters to exercise oversight and discipline performance and decisions of higher level of government (particularly the district), this system instead imposes greater authority of higher levels and the CPP over the democratically elected communes. This finding suggests that democratic aspirations referred to in the Organic Law 2008 are largely cosmetic. A senior MOI official explained that although commune councillors are elected the district councillors, it does not mean communes choose the district councils because the commune councillors elected the district councillors on behalf of the people.[10] He asserted: 'Don't pay too much attention to elections like the foreigners who demanded that because district councils were elected by the commune, the district has to be accountable to the commune. It does not work that way in Cambodia.'[11] The government makes it clear is that election does not grant the commune power over the district.

A major reason behind instituting indirect elections at district and provincial levels is because making the commune level the lynchpin of sub-national governance gives the CPP a decisive advantage over any opposition party. The choice of indirect election of district and provincial councils means that the distribution of power at provincial and district level reflects the performance of parties in commune elections. For the reasons discussed in Chapter 4, the CPP has historically done better in local elections than in national elections.[12]

Moreover, as the following sections will show, commune-district relations remain very hierarchical and suggest that one of outcomes of the decentralisation programme is actually making that hierarchical control even more effective. That is what complicates relations between communes and district councils and district governors.

9.2 Interactions Between Commune and District Councils

When I asked how often the commune councils meet with district councils, the answer was 'never' over the period between May 2009 council election and early 2012. This is

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[10] The official laughed at me when I asked him to elaborate on accountability relations between commune and district. He said foreign donors asked him this question all the time.

[11] Interview with Director of Department of Local Administration, MOI, Phnom Penh, 11 February 2011.

[12] On the pattern of electoral results from 1993 to 2007, see Committee for Free and Fair Elections in Cambodia (COMFREL), 2007:57. Similar patterns are also observed for the 2008 and 2012 elections.

not surprising as the district councils have not been able to do much except hold monthly meetings. There has been very limited interaction between commune and district councils except for the commune chiefs who had attended district council meetings sporadically. Distances between communes and the district centre have not been identified by commune councillors as a constraint. In both districts I studied, most of the communes are closely linked to the district offices with fair road conditions and within 25 kilometres. Although travelling expenses may have been an obstacle, the commune councillors admitted they regularly visited the district offices for meetings and other activities with the district administration, but not in connection with district councils.

Sub-decree 216 issued in 2009 (and similarly in the Organic Law 2008) points to district councils' meeting as being the main vehicle for commune councils to 'discuss and suggest any issues relevant to the benefits of the communes for district councils to verify and consider before they make decisions'.[13] While council meetings (discussed in Chapter 8) take place once a month, commune councillors rarely attend let alone speak up in these meetings. Similar observations were noted in other districts around the country.[14] Participation of the communes in developing the district's development plan was reduced to writing down commune priorities, as shown in Chapter 7. On other occasions, communes have avoided taking part altogether. During the times of my fieldwork between 2010 and early 2012, only one of the three council's committees was functioning. A chair of a district council's Women and Children's Committee complained that commune councils and their representatives did not attend the committee's monthly meeting even when she sent invitation letters and made phone calls. She explained to me that 'Because my committee does not have a budget to run the committee, no one is interested to attend the meetings. I know that is the reason although communes said they could not come because they lacked transportation and budget to cover such visits'.[15]

With regards to commune participation in the district council's monthly meetings, the four commune chiefs I interviewed saw the meetings as not relevant or important for them to attend – just another meeting. As a result, participation of commune councillors in those

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[13] Article 119 of Sub-decree 216 on Roles, responsibilities and working relations between councils, board of governors of provinces, municipalities and districts dated 14 December 2009.
[14] Interviews with donor representatives of European Commission and GIZ's SPACE programmes, Phnom Penh, February and March 2011.
[15] Interview with Chair of Women and Children's Committee, Dek district, 10 January 2012.

meetings did not improve between 2009 and 2012. There are at least two reasons. As shown in the previous chapter, the meetings are boring with no opportunity to get new information or to air viewpoints. Instead, the district governors used these meetings to report on activities and relay instructions from higher levels. This is expected in Cambodia where meetings or public consultations take the form of the most powerful figures in the meetings providing official narratives to a bored audience. Clearly, the way these meetings are held only reinforces the hierarchies of status of the district level over the communes. A well-respected commune chief in Dek district reflected on this issue:

> I don't like going to the district council meeting – too long and all about activities that I could read about by myself from the written reports. The chair of the district council and the district governor took too much time for their speeches. I didn't get to ask any questions or make comments. In both of the only two council meetings I had attended, the meetings were too long and even ran over the lunch break but still nothing was achieved.[16]

But it was not so much this issue that discouraged commune councillors from wanting to attend district council meetings. It was the scrutiny exercised by the district over the communes. Commune chiefs felt that the district council meetings are used to purposely criticise and humiliate them in a way that they have never experienced before at official meetings. In Dek district, each of the district council meetings was full of reports from SRP councillors about problems and irregularities at the commune level such as civil registration charges, misconduct of commune chiefs and clerks, collusion with private companies, and lack of attention to vulnerable poor villagers. In one instance there was a public fight between the commune chief and SRP district councillors over a case related to corruption in civil registration charges. In the end the commune chiefs had to bring in three villagers who the SRP reported to have paid 'outrageous amounts' to the commune chief to declare in the district council meeting that villagers such as them did not pay that amount of money to the commune chief, and that the SRP district councillors lied to the meeting. On another occasion, the commune chiefs did not challenge the SRP district councillors but relayed information to the CPP councillors and governors to explain to the opposition during the meetings. A former commune chief complained:

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[16] Interview with Commune chief, Dek district, 5 March 2012.

During the district council meeting, I didn't get to reply to questions from SRP district councillors who asked why commune councils charged villagers for administrative papers. I wanted to ask them how they travelled to this meeting. If they walked to the meeting, maybe they don't need money and gas. But I ride a motorbike to meetings. I also don't like this meeting: why didn't they report about other government agents such as police or the court taking money from people who faced problems and went to ask for their help? Communes only collect contributions from villagers: we don't rip off villagers like other government bodies.[17]

In Thmar district, however, the SRP councillors dare not speak up much in the meeting let alone report critical cases as in Dek. But there, the district governor and the chair of the district council, instead of the opposition councillors, project themselves as the boss of the communes, reminding and telling (they carefully choose these words rather than 'criticise') the commune clerks and commune councils to come to work on time and in official dress code and to serve and care for the people's well-being.

In both Dek and Thmar, the district councils, seated higher in the hierarchy, see themselves as having the right to criticise and demand accountability from the commune councils. There are two important unexpected findings from these cases. First, the district councillors and district governors are using their positions and district platform to hold the commune councils accountable in a way that is subordinating the commune councils to pre-existing government hierarchies. This mechanism works against the supposedly democratic intent of decentralisation, whereby commune councils were supposed to demand and oversee the districts in their constituents' interests.

Second, opposition parties have to some extent used the district councils to their advantage as a forum where they can exercise oversight and criticise the communes whereas SRP commune councillors fear raising such issues within their own communes. SRP district councillors' attempts to criticise the district or other higher level government bodies have so far yielded few results as shown in chapter 8. Here, the district council meetings are being used as a vehicle for some kind of effective oversight by the opposition, which is an

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[17] Interview with Commune Chief, Dek district, 10 March 2012.

important aspect of democracy although not at all the one envisaged in the Organic Law 2008.

This point is significant in Cambodia where different and critical voices are rarely allowed or heard in official meetings. Yet here, as in Vietnam and Singapore, such an opportunity created by decentralisation has not necessarily provided leverage to local citizens and can simply be used by the centre to exercise discipline over local leaders (Fritzen, 2006, Fritzen, 2009, Tortosa, 2012, Larsen, 2011, Rodan and Jayasuriya, 2007). Ample evidence about Vietnam's Grassroots Democracy programme has shown that while this programme has created new opportunities for ordinary Vietnamese to participate in and be informed about the commune level's policies and decision-makings, the programme has not resulted in shifting everyday governance practices nor in empowering the people in the name of accountability. Instead, the Grassroots Democracy programme is being used by the centre as a tool to strengthen the flow of information from citizens to the party in a way that has provided the centre and the party with required information about activities of local officials. This is also the perspective being taken by MOI for Cambodia's decentralisation. As discussed in Chapter 4, senior government officials both within MOI and MEF see the fact that communes are 'getting more confident and knowing too much' as problematic for the government and the party. They consider that communes are there to assist the party to implement its particular goals of local control and development that are not related to or may even contradict the aspirations of local accountability and empowerment. Nonetheless, communes are an important level of government that is closest to the voters, and so being informed about how communes are doing their job is key to the party plan, as outline in Chapter 1 and Chapter 4.

One of the benefits of commune decentralisation for the centre, as observed by James Manor, has been better information flows from the capital to local levels and back to the centre (Manor, 2008). More information for the centre has been fed through thousands of MOI officials employed as National Committee for Democratic Development (NCDD) contract personnel as advisors and capacity builders at local level, through NGO surveys and reporting mechanisms, and through opposition parties. As such, the CPP has benefited from information about the local levels from sources other than their own party members. Besides, CPP officials are not expected to criticise each other in official and public meetings. Along with this practice, the government's Anti-Corruption Unit has recently

announced that it plans to clean up all kinds of corrupt activities at the commune level because corruption there has impoverished villagers, and to do that it has invited political parties and NGOs to collaborate in overseeing communes of their choice (Vong and Di Certo, 2012). The scale and importance of corruption at commune level is less urgent in requiring government measures when compared with ongoing violence and forced evictions resulting from land concessions that could have contributed to the opposition party's gain in the 2013 national election. According to a study on local public services, informal fees paid to communes were relatively small compared to other government institutions: only 10% of the total annual amount of unofficial fees paid by households went to communes (Economic Institute of Cambodia, 2006, cited in Pak 2011). It is not clear whether the reason for this anti-corruption move at the commune level is because communes, as the weakest of all government institutions, can be easily targeted, or because it is being used as a vehicle of intimidation in an attempt to prevent the communes from growing more confident.

This move will only add to the unhappiness of commune councillors who have so far resented decentralisation at district level. The criticism of communes in the district council meetings builds up a negative perception by the communes of the district councils as a whole. Opposition district councillors are also being more closely followed in what they do and who they talk to in the communes.

This negative feeling appeared stronger in the Dek district, partly because the opposition party is more outspoken there than in the Thmar district. Commune councillors in Dek depended more on petty charges from selling administrative papers to villagers and were constantly criticised by the opposition for corruption. While higher levels of government were aware of this practice, they had difficulty disciplining the communes and combating this practice as some parts of collected revenues were used to pay for patronage-based social benefits like donations to hungry families and disaster-affected families in the communes. In the Thmar district, there were fewer stories of this sort reported in the district council meetings because both the district and communes were better resourced from larger fees collected from economic and business activities rather than resorting to extortion from villagers.

Likewise, district councillors in both places had never been invited to attend commune council meetings as the commune councils did not see the value of having them participate despite the eagerness of some district councillors to attend. Some CPP district councillors would like to observe commune meetings but were constrained by lack of transportation expenses and agreement from chairs of the district councils. Opposition district councillors in particular had attempted to observe commune council meetings and other commune level processes from which opposition officials were excluded by CPP communes, but they were denied on the grounds that they had not been invited and that they possessed no approval letter from the district governors or the chairs of district councils to attend the meetings. Commune chiefs were determined to ensure that district councillors would not be able to attend their meetings, and barred them from activities at commune levels or meeting with villagers if they did not have a permission letter signed by the district governor or where agreement from commune chiefs had not been granted in advance. SRP district councillors questioned the commune chiefs and complained that they were not allowed to participate in a consultative meeting between commune councils and villagers.

> As a district councillor, I should be allowed to observe commune council meetings. As a villager living in this commune, I should be allowed to participate in the commune's development planning process just like other villagers. But instead, I and other villagers who are identified as SRP have never been invited to participate in our commune's planning or project implementation process. [18]

Clearly, there is a real contestation going on with the opposition party trying to use the new district system to their advantage as a means to exercise oversight over the CPP commune chiefs. It remains to be seen whether this contestation is likely to lead to greater scrutiny of the CPP- dominated local governance over the longer term especially in light of the recent parliamentary gain of the opposition parties in the July 2013 national election.

On an individual level, when asked to name the district councillor whom they recently elected, commune councillors said they knew the chairs of the councils but could only provide the names of a few councillors, although they said they knew all the councillors' faces through their interaction in political party activities and through the position that

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[18] Interview with SRP councillors, Dek district, 11 January 2012.

district councillors had held prior to becoming councillors. Mainly the commune chiefs have had individual interactions with the chairs and other councillors at district council meetings but mostly in relation to party work, as discussed in Chapter 4.

There are some tensions at this level of interaction, chiefly fuelled by jealousy over entitlement and workload in the councils. Commune councillors are not happy that district councillors, just because they sit higher in the hierarchical chain, receive substantially larger allowances (a ratio of five to one). Not only do the commune councillors see themselves as responsible to solve all kinds of local level problems which require them to directly interact with villagers and outside interests including higher authority, they are also often scapegoated for things not working well at the local level. A commune chief complained: 'There has not been any need to contact district councillors. Besides I am extremely busy with my villagers here. You look at the district councils: they are highly paid –700,000 riel while we only get 150,000 riel. We come to work every day but they only come to meeting once a month.'[19] The district councils, as seen by the communes, have no work to do and only go to meeting once a month, and are under little or no pressure from villagers about what happens at the grassroots. Here again, reorganisation at district level is clearly mainly related to strengthening hierarchical control.

There are obviously some severe problems and tensions arising from these new arrangements, and it is not clear whether these conflicts could allow communes to actively monitor and check on district councils that could lead to improved performance and accountability of the district. Three points may complicate this accountability relationship between commune and district councils. First, commune councils are reluctant to get close to the district councils, fearing they might reinforce a hierarchy whereby the district supervises the commune. Commune councils are concerned that more people, especially at the district level (in addition to the administration discussed in the next section), may supervise them and hence interfere with their autonomy and decision- making processes. A senior official of MOI confirmed this view of the commune councils, saying that 'Because the district was targeted to help the government strengthen the commune

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[19] Interview with Commune chief, Dek district, 10 March 2012.

councils, some communes were nervous. But we only want to strengthen aspects related to project implementation, accountability and transparency'.[20]

Second, the commune councils are not clear about what they could expect the district councils to do for them. One of the commune chiefs pointed out that 'District councillors are very new and still learning to walk. I don't see how they are to assist the commune councils which have existed for over ten years'.[21] There had been examples where district councillors wanted to review and check on communes' project implementation and expense reports. There are also cases where communes share their Commune/Sangkat Fund to support the administrative expenses of the district.

This perception could be attributed to the vague provision in the Sub-decree 216 regulating relationships between district and commune councils. It states that district councils must 'assist, work together with commune councils, and find out and respond to needs of the district and to requests from commune councils'.[22] Furthermore, there has not been a decision which clarifies the division of authority and the functions to be shared between the commune and district levels. For example, a chair of district councils pointed that Organic Law 2008 allows them to solve local conflicts (while the commune councils also have authority to solve local conflicts under the Law on Administration and Management of Commune and Sangkat 2001. However, there is no clarity as to what kinds of conflicts are assigned to communes and to district levels. There are going to be some power struggles between the commune and district over the implementation of the laws.

Third, there is a customary practice of hierarchy within the existing governance system which makes aspiration to empower commune councils over higher levels of government difficult to achieve. As discussed in Chapter 5, district councils identified MOI and the province, not commune councils, as their boss. Similarly, when the commune councils were asked who their boss was, MOI and the district board of governors came up first (Chheat et al., 2011). This is also in line with the explanation given by a senior official of MOI which is in charge of commune decentralisation, lashing out at donors with the

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[20] Interview with Director of Department of Local Administration, MOI, Phnom Penh, 11 February 2011.
[21] Interview with Commune chief, Thmar district, 25 January 2012.
[22] Article 115 of the government sub-decree 216 issued on 14 December 2009.

claim that 'Just because the commune councils elect district councils, it does not mean commune councils have authority over district councils; they still have to respect the hierarchy'.[23] As this quote demonstrates, democratically elected councils remain firmly linked to the existing hierarchy. Examples discussed in this and the previous chapter show that although the communes are trying to use the law to assert their democratic authority and control over the district, they have been unsuccessful as their power has been reduced to the advantage of the party and government's new district system in ways that reassert the pre-existing hierarchical system of governance.

Clearly, the government envisages accountability relations between commune and district councils as mainly related to consultation, in ways that would help higher levels of government to elicit better information from the local level, but it is much less interested in local empowerment and bottom-up accountability. Sak Setha, Secretary of State of MOI and the government's 'focal person' for decentralisation, explained to me:

> There is accountability if commune councils can participate in the decision-making process of the district. The more participation the communes have in the district decision- making process the better the accountability and transparency. In the future, decisions of each level of government will require consultation with a lower level of government. This is good governance. We should not think that it is our right to demand accountability, as in other countries where they make a clear demarcation between each government body. I think differently and personally I consider that the district should participate in the decision-making process of province, and the commune should participate in the decision- making process of the district. If we can do that each level of our administration can serve each other and cannot be separated.[24]

Consultation is not at all the same as accountability and is much less useful in promoting bottom-up demands and strengthening political authority of citizens. As we have seen in term of local participation at the commune level, consultation is extended only to closed circles of CPP local officials and the fact that selected villagers need invitations to take part the consultation process is used as a vehicle for the party to collect information before making decisions and to see if things are compatible with the party interests. To

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[23] Interview with Director of Department of Local Administration, MOI, Phnom Penh, 11 February 2011.
[24] Interview with Sak Setha, Secretary of State and Chair of NCDDS, MOI, Phnom Penh, 11 March 2011.

understand accountability this way serves the party's desire for order and control and suggests that much effort by the party is going into re-establishing the hierarchies of status that are potentially undermined by the system of indirect election.

9.3   Commune Councils' Relations with District Administration

As the previous section has shown, the commune councils have not only dismissed the need to relate to the district councils, but also resented that the old hierarchy has been reasserted through provision of higher salaries for district councillors and scrutiny of commune's performance by the district councils. The accountability relations between commune and district are further complicated and weakened as provisions related to the functions and responsibility of the district administration, including that of the board of governors to the communes, are being designed in ways that serve not the needs of the communes but rather the needs of the party and MOI. Specifically, the district governors relate to commune councils in various capacities that reflect their high status in the hierarchy. These include: the roles of governors as chief executive officers of the district councils, as representatives of MOI and central government to oversee communes and to ensure order and stability at local level, and as heads of CPP district offices in charge of implementing party decisions at local levels.

The district administration and its board of governors are expected to be accountable to the commune councils and the population via the district councils, according to the Organic Law 2008. But as has been discussed in Chapter 7, the Organic Law 2008 awards the power to appoint and discipline district governors and the district civil servants to the central government, and the district councils can only submit complaints to MOI if they have problems with the governors and its personnel. It is hard to imagine how the commune councils can demand accountability from district governors and administrators who are not required by law to report to them or answer their questions.

It is clear from the long processes of planning and thinking on the part of the government and the CPP that districts are not going to receive a substantial amount of revenue and functions to respond to communes. As already discussed in Chapter 7, the district only receives USD25,000 per annum for development budget which is in fact less than commune council's development fund. This means the district is not going to be able to

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respond to demands from the communes. Moreover, the district can spend its funds only if its budget and plan are approved by MOI and MEF on a quarterly basis, a strategy to ensure that any district which does not comply with party interests would not receive any money to implement its plans.

This issue of discretionary and adequate resources is important to make participation and accountability of decentralised government work. From the perspective of the communes, it is fruitless to try to demand accountability from the district if it cannot respond. The government does not acknowledge this lack of bottom-up accountability as a problem. Specifically, as showed in Chapter 7, there is no room for the communes or the people to have a say and to discipline the district over the use of funds and the implementation of their plans. People's voices may be collected through participatory planning processes, but low resources and no authority has been given to the commune or the district to respond.

When the district has its budget, it is also problematic whether the commune councils on behalf of their constituents have leverage over the governors about how the budget is spent. Experience with a donor-funded project called District Initiative where USD30,000 was given to the district to coordinate and oversee implementation of inter-communal development projects was unable to tackle the problems the project was designed to overcome, that is to train the district to work with and respond to commune needs. The project was not working well as planned because district governors didn't enjoy being told what to do by the communes, and since the small amount of money was accompanied by lengthy procedures, in some districts the governors did not even bother to use the fund (Ministry of Interior, 2009). Evaluation of the project also found that instead of commune councils making decisions about how the money should be allocated, the district governors made decisions concerning the kind and location of the projects while the communes were only consulted (Ministry of Interior, 2009). In places where commune councils were making decisions, the process took so long that project money did not get used in time.[25] In other places, the project fund was used to finance routine activities of the district's line offices instead of projects the communes wanted.[26]

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[25] Interview with Commune chief, Dek district, 14 January 2012.
[26] Interview with Leonardo Romeo, UNCDF, Phnom Penh, 7 March 2011.

Furthermore, communes' influence over development priorities becomes insignificant the larger the projects and the higher level actors are involved. In Thmar, a conflict between market vendors and the district governor broke out during the latter's field visit: there was a protest against the district governor at the provincial hall. The district governor had contracted a private investor (who is said to be his relative) to do some maintenance and extension of a local market in an effort to expand and improve it. This decision was made by the governor with the knowledge of the district council. The commune chief said he was not consulted nor involved in any of the decisions for market redevelopment, but was only brought in when there was conflict between vendors and the contractors to help smooth the negotiation. The vendors were also not consulted but were told by the contractor about the plan and that they would be charged heavily for the cost of the project which would be covered by fees paid to the contractor. Here, the commune chief was not relevant as decisions were made by the district governor. After months of negotiation between vendors and the contractor about the actual cost to be paid by each vendor, no agreement was reached. Vendors were naturally frustrated. About a hundred of them quietly staged their protest at the provincial hall, asking the provincial governor to intervene and help them. The provincial governor refused and gave the complaint to the district governor whom he scolded for not handling the case well. The district governor was losing face both to his superior but also to the vendors. He was very angry with the commune chief who, according to him, was incapable of knowing what was going on. Opposition parties did not speak up against the governor regarding the project; instead, one of the district councillors told me: 'The problem arises because the vendors misunderstood the good intention of the governor'. To end the conflict, the governor held a meeting with the vendors and claimed afterwards that he contributed his own money to the project so that the private company agreed to charge the vendors less.

The above examples illustrate the kind of tensions and outcomes that might also be expected with regard to the implementation of district level planning and project development. Communes are less likely to have any say in district level plans and projects, and on issues that might prompt mobilisation from the public against higher levels of government. On other issues, the communes will be consulted. Thus in maintaining social order, the government needs the district governors to be in charge and impose authority over the communes.

Outside of development projects, district governors are assigned as representatives of the central government and MOI to oversee and check on communes' compliance with the laws and regulations. The Organic Law 2008 states that the district governors are to oversee and assist the communes to carry out functions within their scope, to assess capacity needs and provide training, and to link up communes to the government. These functions are delegated to district governors on the basis that the district can keep a closer eye on what happens at the communes than the province which was previously responsible for overseeing the communes. To implement this role, district governors are supported by Commune Support Offices staffed by MOI-appointed officials in ensuring guidelines are accurately implemented, in providing advice and support to the day-to-day work of the councils and clerks, and in approving plans and budgets by advising the communes about the forms and procedures to comply with. These officials and these duties to support the commune have only moved to the district recently and used to be located at the provincial level under the provincial governors.

In their capacity as legality controllers, the district governors have the authority to check and approve reports and administrative forms of the communes before final approvals are sought from the province and the MOI. They supervise many commune processes such as preparation of plans, budgets, project bidding and implementation, annual budget reports, and perform other legality checks. Last year communes were authorised to conduct their own bidding process (which was previously carried out by the districts for communes) although with strong presence of representatives from the district and the province at the meetings.

With the extensive checking and supervision from above, commune councils dare not step out of line. The government justified this system of control to prevent leakage of Commune/Sangkat Fund (CSF) and deviation from national standards. As a result, evidence has demonstrated that CSF leakage is significantly lower than leakage and corruption in general public spending in Cambodia, and there is a high chance of commune projects being delivered with acceptable quality (Biddulph, 2006).[27] While this issue is important to the government, the commune councils and their constituents suffer. Particularly, the Ministry of Economy and Finance (MEF) claims that only one third of

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[27] CSF leakage was estimated to be around 1-3% while more than 20% is often the cut off rate for other public expenditures in Cambodia.

CSF was spent by the communes in 2010.[28] One of the reasons given for this high level of carried-over funds was the sudden end of salary supplements to officials engaged in providing support to the communes, which according to MEF reflected the lack of capacity of the communes to plan and spend the funds. This is also one of the rationales being used to oppose the proposal by MOI and donors to increase government funding to the communes.[29] Not only has CSF allocation remained stable, the actual transfers have also been smaller than legal requirements. The MOI has observed that although total CSF allocation from the government revenues has increased over time, the actual share of the government revenue is only 2.45%, 2.49% and 2.41% for the period of 2011-2013, much less than the legal requirement of 2.8% for the same period.[30]

The argument put forward by the government that the communes lack capacity to manage and spend their funds is self-serving. If the communes are not spending their CSF it is because they don't feel empowered to make decisions due to the complicated and top-down administrative requirements. For example, a study conducted by the World Bank found that one of the reasons hindering commune councils from implementing social service projects with their CSF is due to difficulties in getting funds released from the provincial treasury. The study notes that: 'for remote communes, the prospect of travelling half a day to the provincial treasury with a form, only to be sent away because of a small bureaucratic mistake in the way the form is filled in, can be a severe deterrent to any new initiative' (World Bank, 2011:25).

Communes also lack power to manage their own affairs even on other petty issues. For instance, in order to meet with outsiders like NGOs working in the communes or to attend meetings, commune councils are also required to inform and ask permission from district governors. This finding is confirmed by various longitudinal studies into commune councils' relationship with higher levels of government. These studies found that even after direct election of commune councils, there had been little change in how commune councils relate to higher levels of governments, especially the district governors. The commune councils consider the MOI and district governors as their boss and regularly

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[28] Interview with Director of Department of Local Finance, MEF, 16 January 2012.

[29] High carry over CSF was also observed in other year over 2002-2006. Smoke and Morrison (2011) attributed this problem to capacity issues of some weak communes and to the bottle neck in the treasury system to disburse funds.

[30] National Transfers to Province, District and Commune 2007-2013, obtained from NCDD Secretariat, May 2013.

seek their advice and guidance before making decisions (Ninh and Henke, 2005, Rusten et al., 2004, Chheat et al., 2011).

More importantly, maintaining one's association with powerful patrons, which in the case of the commune is the district governor as immediate supervisor, is important to both positions and benefits from the government and their livelihood. This is because having no support from district governors could result in exclusion from political and economic benefits, living in isolation and fear of intimidation. Commune councillors referred to district governors' power over security issues (police and military) and local authority as an explanation for the need to forge personal relations with district governors rather than with chairs of district councils. While the Organic Law 2008 grants development-related functions to the district councils, local authority remains in the hands of district governors as representatives of the state. They are considered the most powerful figures in the district, not the chairs of district councils, because of their formal and informal links to the top of the political system in the province and to the Ministry of Interior in Phnom Penh. Showing loyalty and strong connection with the governors are keys to their survival where regular communications are necessary. Not only do the CPP commune councillors prioritise their relationship with district governors over their constituents, but councillors from opposition parties also dare not displease the governors. For example, a study finds that 'In those communes where opposition parties held a majority or a large minority on commune councils, they rarely appointed their own party candidates as village chiefs' although they are allowed to by law (World Bank, 2011:27).

Within the CPP hierarchy, commune councils are also placed under the district governors. Here, district governors have authority as chairs of CPP district committees to monitor and discipline the commune councils while the commune's role within the party structure is to make suggestions on development projects and implement party decisions.[31] A few months before the June 2012 commune election, one of the tasks of district governors was to survey the loyalty and performance of CPP commune councillors, and anyone suspected of not obeying the party would be scolded or removed from their commune positions. District governors explained to me that communes which criticised the government and the party or showed disobedience were subjected to such disciplinary measures.

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[31] See Craig and Pak (2011) for more detailed account of how the CPP party working group structure operates and implement their development projects.

Communes reported that commune members who were removed from their positions were mainly those who were involved in big corruption scandals. But the big issues according to the commune councils relate to the problematic distribution of benefits within the party. First, commune and party officials at local levels are not being paid much to do the job expected of them. As a commune chief said: 'Higher party officials have access to a variety of benefits while we at the communes work on weekdays and weekend for the party but only receive commune council salaries which are very low'.[32] Second, the communes complain that party benefits and development projects are not distributed fairly across communes, which has negatively affected their legitimacy in the eyes of their constituents. Communes that have resourceful patrons tend to get more benefits and projects compared to those connected to poorly resourced patrons (Craig and Pak, 2011).

During my research a commune chief asked if I could help him get access to a senior CPP official (chair of his provincial working group) who he said held an important decision-making position in the party, and who had made a promise during the 2007 election campaign to his commune that if the CPP won this commune election (which it did) the party would build a new school there. He based his election campaign on this promise, but up until now nothing had happened. He has no explanation for his residents and has asked all officials he has met to press for the project. In another commune, the commune chief was promised a new commune office during the last election campaign, but they still only have an old office.

In other activities within the party such as gift-giving and launching of commune projects, district governors or even higher level officials are required to be there while communes are mainly presented as receivers. For instance, around the January 7 celebration,[33] district governors were extremely busy as honoured guests in cutting red ribbons for new commune road projects as well as in distributing gifts from the party to local party activists and vulnerable families. In these events, the commune chiefs were clearly projected as subordinate to the district governors in the eyes of their constituents.

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[32] Interview with Commune chief, Thmar district, 25 January 2012.
[33] January 7 is promoted by CPP as a re-birth of the country and a national liberation day from the Khmer Rouge, while opposition parties called it the Vietnamese invasion day.

In sum, commune councils remain subordinate to the district governors and adhere to the hierarchical chain of command of higher levels of government even though they are elected by the people. The introduction of the indirectly elected district councils has not had much impact on this relationship. The district governors still have authority over the communes on matters related to local administration, social stability and security. The new roles for the district governors to supervise and check on communes specified in the Organic Law impede the possibility for commune councils to exercise its democratic discretion over the district. Furthermore, communes and their constituents are increasingly relying more on high level party officials for support and development to meet growing demands as they have derived very little benefit from decentralised funding and power to districts and communes.

However, it is important to note that the district governors admitted, as one of them explained, that he could not 'crudely and bluntly lecture the commune chiefs like before, but only with good reasons and evidence because of decentralisation at commune level especially around commune decisions with regards to planning and budgeting processes.'[34] This is an important change at sub-national level despite the fact that compositions of commune leaders remain stable since the 1980s. Notable changes in some other areas of governance in Cambodia can also be observed, for example, relations between the MOI and sub-national levels, and relations between communes and the villagers. A recent citizen survey about local governance shows that over 80% of respondents said their commune councils are 'responsive' to their needs, a sharp increase from the baseline survey conducted by the Economic Institute of Cambodia (EIC 2010:32, cited in Heng et al., 2011:18). Nonetheless, local authority continues to be the source of threats, repression, and use of violence over their populations. Arguably, as a result of donor-promoted 'good governance' reforms government has changed its appearance but not the substance of what they do. In this context, the change of relations observed between MOI and sub-national levels, between district and commune, and between commune and the people represents a recalibration of relations which actually legitimises the system and makes the hierarchy of relations more effective, rather than being the foundation of a move to bottom-up accountability.

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[34] Interview with district governor, Thmar district, 19 March 2012.

9.4 Conclusion

Overall, the chapter has shown that there is limited possibility of accountability between the commune and district, or stronger commune councils or the district councils being transformed by decentralisation to become the foundation of local governance in Cambodia. Actually, the system of indirect election of district councils has reinforced the hierarchical system of control and bolstered dependency on the CPP by the whole sub-national government. It is also clear that the government's claim to promote accountability between district and commune is largely superficial. Communes are expected to respect the hierarchy. MOI mainly wants district and communes relations to work like patron-client relations, in that the district as the patron 'has to respond to commune's needs' and the commune as its client 'must work for and respond to the district's requests just like the way accountability relations work between central and sub-national government. There is no problem in these relationships.'[35]

However, the chapter also shows that there are other things happening too. First, there is resentment on the part of the commune councillors that the old hierarchy has been so casually reasserted and some contestation of this occurs, whether through not turning up to meetings, or preventing district councillors from attending their meetings, or trying to use the law to assert control of particular areas such as conflict resolution. Second, the political opposition attempts to use the new system to its advantage as a means to exercise oversight over CPP commune chiefs.

The question then is whether either of these two issues is going to seriously hamper the smooth functioning of the hierarchical system that the MOI and the CPP envisage? The very control and painstaking planning and implementation of the district decentralisation that we saw in previous chapters suggests that the government and the party are aware that this reform is contentious and so decisions are made cautiously which has resulted in holding back progress on decentralisation such as on transfer of functions and resources. It is also clear that the government is not going to abolish the commune councils because of these issues and because the commune councils have help the CPP consolidate its power. As Hun Sen acknowledges: 'We at the central level should not look down on communes

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[35] Interview with Director of Department of Local Administration, MOI, 11 February 2011.

because our positions are the results of communes' hard work'.[36] But, the MOI has also made clear that empowering communes with more capacity and resources of their own to respond to their people is not an option and not on the table for discussion, as it would risk losing support for decentralisation from MEF. Consequently, the government is likely to implement measures that will get commune compliance around these issues, but also more importantly the government does not want the communes to start thinking they have the power to make demands of and criticise other parts of government that are abusing their constituents. The limited autonomy the commune councils gained over the last ten years seems to be reduced rather than increased by the way further decentralisation is being implemented by MOI.

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[36] Hun Sen was speaking at a meeting with commune councils. The quotation was told me by a commune chief, Thmar district, 7 February 2012.

Chapter 10   Conclusion

This thesis has examined how the on-going decentralisation programme in Cambodia is working and whether it has changed the pre-existing power relations in favour of the poor as envisaged by western donors seeking to support more accountable and participatory governance. This concluding chapter will discuss my major findings and the implications of my findings for Cambodian governance. It will also examine possible pressure points that may indicate future prospects for decentralisation in Cambodia.

Decentralisation is increasingly adopted as a core governance reform programme in many countries, regardless of their political regimes. The usual arguments put forward by its advocates are its promises for accountability and participation and empowerment of citizens in local politics and decision-making, although this has been questioned by case studies around the world that were examined in Chapter 2. Explanations for the failure of decentralisation programmes to deliver on these promises have been associated with two different approaches in the literature. One concerns the lack of a local political culture suited to the 'good governance' goals promoted by western donors. The other common explanation is associated with the lack of institutions, legal framework, capacity, and political will to implement the donor-promoted policies and laws that are already in place.

A growing body of literature rejects the determinism of the cultural approach and the technocratic approach of institutionalism to explain success or failure of decentralisation, but recognises that governance reform exists in a context constrained by political economy factors – the interests of and relationships between competing social forces. As seen in Chapters 3 and 4, I have adopted a political economy approach by examining Cambodian elite interests, their relations with different groups such as western aid donors, civil society, the poor and political parties, as well as the political context within which decentralisation has been implemented. This approach helps to explain why decentralisation is designed and implemented in a certain way in Cambodia and how the programme has evolved over time as determined by the changing interests, constraints and

opportunities of the Cambodian elite arising from increased political stability, economic growth, regional and global integration and donor funding.

In line with this approach, the thesis has shown how decentralisation in Cambodia has gradually evolved from a donor-driven, donor-funded and experimental project into an ambitious and politically significant reform in which ownership and the responsibility to make the new system work rests with the government. On the one hand, the fact that the government has committed to continue with the internationally promoted reform is being interpreted by donors as a sign that it accepts the good governance agenda. On the other hand, the government and local elites continue to articulate aims and expectations of decentralisation that significantly differ from those of western donors. This state of affairs raises important questions about the effects that this decentralisation programme may have in changing the existing power relations that donors hope to transform, particularly in a context where power has been successfully consolidated in the hands of the Cambodian People's Party (CPP) and its widespread patronage network. As far as those in the ruling elite are concerned, decentralisation is being implemented only insofar as it helps them to remain in power and particularly to make the CPP and its system work effectively.

10.1   Making the CPP System Work Effectively

The argument put forward in this thesis is that decentralisation in Cambodia is not about redistributing political power and empowering sub-national officials to be primarily accountable to the people. Rather, it is best viewed as a strategy by the government to stabilise and make the regime work better, and more importantly as a strategy for the ruling CPP to bolster its influence and control over the state and hence strengthen its bases of power at local levels.

10.1.1   Co-opting donor-promoted reform

As we have seen in Chapter 4, decentralisation in Cambodia started at the commune level, the lowest level of sub-national government in 2002 after the government had experimented with the so-called Seila programme, a national programme designed to promote rural development and reduce poverty through local good governance. Funded mainly by western donors since 1996, it allowed rural infrastructure projects to be

delivered by local governments. The key aim of the Seila programme and commune decentralisation as envisaged by western donors, an aim which has also been enshrined in the government's policies and laws, was to replace the existing top-down patrimonial mode of governance with a good governance approach in Cambodia. For the enthusiastic donors, shifting Cambodia towards a liberal mode of governance required a long process of strengthening public institutions, building capacity and changing patterns of behaviour of government officials, and establishing laws and regulations for the implementation of institutional reforms.

The government and the CPP, on the other hand, saw the donors' good governance approach as new way of working at local level which resonated with the Party's strategy for voter mobilisation that had developed since its defeat in the 1993 United Nations sponsored election. Following that defeat, the party started to experiment with rural development projects sponsored by funds raised increasingly from the private sector by high-ranking government officials. Since 1995, this strategy has been expanded and institutionalised as one of the party's key sources of electoral support. Furthermore, access to donor-funded projects at rural level under the Seila programme enabled local government officials to build new relations with their constituents.

Over the years, the CPP has dominated commune elections and today it controls all but 41 of the 1633 communes around the country. To a large extent, relations between commune authorities and their constituents have changed from relations based on fear to relations based on respect. CPP domination at commune level and improved relations between commune councillors and the people have brought many voters closer to the Party. Commune decentralisation has also improved the alignment and fusion of party arrangements with state structures where public officials at all levels are required to mobilise support for the party and where they present government development projects as coming from the Party. This system of CPP control over local officials via decentralisation and its voter mobilisation through party-associated development projects has helped to keep the CPP in power, and also marginalised opposition parties. In effect, commune decentralisation has delivered more than mere legitimacy to the government and the CPP; it has achieved a number of important results in terms of consolidating the party's grip on power.

In line with this perspective, the decentralisation programmes have now been expanded to district and provincial levels, to include all three levels of Cambodia's sub-national government. Since 2009, district and provincial councils have been created for each jurisdiction. These councillors are not elected by the general population but by the commune councillors through a party list system in which they vote for the party which put them in the commune council seats. As might be expected, the CPP controls all of the provincial and district councils and following the first election held in May 2009all the council chairmen belonged to the CPP. In addition, all officials of the district and provincial administration are appointed by the central government rather than by the councils themselves, and members of the district and provincial executive teams called boards of governors are high-ranking civil servants of the Ministry of Interior (MOI) which is also in charge of the government's decentralisation programme.

Sub-national councils are officially required to promote democratic development at sub-national levels, although almost at the end of their first five-year mandate there have been, as shown in Chapter 7, no concrete decisions on their specific functions, resources or authority. For instance, less than one percent of government revenues are being shared with the district level over 2012-2014 and this level will remain unchanged until 2018. Local planning processes, where commune and district authorities are mandated to formulate their plans based on their citizens' needs assessment, have been institutionalised into the new decentralised structure, but these processes are not linked to locally-raised revenues. The poor may have spoken up in this exercise, but no one at district level is provided with any authority or resources to be accountable to them. Instead, responsiveness and arguably accountability to the people's needs are provided through the CPP's working group or donation network at the district level.

The CPP's district working group has been called the most important level of the party's working group structures. The groups' main tasks are to mobilise resources and deliver rural development projects. Their success is made possible by their impressive ability to extract huge amounts of money from private donors, and by their control of public officials from central down to local levels. Sub-national officials including commune councils, district councillors, and members of boards of governors are assigned to work with the Party's district working groups under the supervision of the provincial and

national party patrons and are responsible for facilitating and coordinating development projects and to mobilise votes for the party.

Over the years, the CPP's vote-buying strategy on a national scale has shifted from petty gifts to infrastructure projects and jobs (Craig and Pak, 2011). These gifts have also become more reflective of the villagers' own needs assessment due to decentralised participatory planning exercises. However, all of these projects are presented as gifts from the party and its elite to powerless recipients rather than as donations to the population as right-bearing citizens. This top-down exchange differs sharply from the notions of popular empowerment and accountability desired by western donors. In fact, decentralisation at the district level is interpreted by the government and the CPP as a means for the party to strengthen its systems of grassroots mobilisation associated with its ability to 'get things done'. This way of working has significant implications for the capacity of the state as opposed to the party: the former continues to remain weak and starved of authority and resources to perform its responsibility and deliver services to the people.

As for the opposition parties, their penetration into the decentralised structure at sub-national levels provides opportunities for their representatives to interact with potential supporters in rural areas. This has in turn helped to strengthen their access as well as their relations with individual villagers, although my observations in the two districts indicate that these remain constrained in that councillors from opposition parties at commune, district and provincial levels are not allowed to mobilize more than five villagers for public meetings and their activities are closely monitored by the watchful eyes of the CPP officials.

10.1.2 *Replacing old with new capacity at the sub-national level*

The creation of new council positions at district and provincial levels through decentralisation has offered an opportunity for the CPP to move loyal, elderly party members who were important during the period of war and revolution in the 1980s away from positions of power. As we have seen in Chapter 5, the majority of district (and provincial) councillors are retired male civil servants or loyal members of the CPP who are outside the formal state bureaucracy but remain active as CPP party officials. Councillors are seen as powerless and not skilled at resource mobilisation, but most of

them were committed and honest officials of the CPP recruited after the Khmer Rouge period. They were reluctant to retire early as the party suggested but could not refuse to accept positions in the councils, which one of them described to me as 'positions to do meditation and earn dignity'. The co-optation of the appointment process by the party and the imposed hierarchical control by MOI renders the western donors' wish to redistribute political power from central to sub-national councils ineffective, and from party patronage-based networks to rule-based governance through the promotion of the decentralisation programme. These findings also suggest that district decentralisation has not widened opportunities for ordinary people to gain better representation and accountability for local political demands through the district councils.

Contrasting with the powerless district councils occupied by elderly party loyalists on the way out, the decentralisation programme has installed a change of generations in the district administration. These men and more rarely women are relatively young and have better education and qualifications than their predecessors. Their high-ranking titles within MOI indicate their high status. In particular, MOI boasts that district governors across the country represent the new crop of CPP administrators who are much younger, better trained and educated, and are much better adjusted to ongoing development plans for the entire country. As shown in Chapter 6, this finding reflects a more general shift of party emphasis. These newly appointed officials are just as loyal to the party as their predecessors but they are also the Party's money men responsible for protection scams, collecting contributions from private businesses, siphoning off funds for CPP use, or managing money from corruption and illegal activities – all under the discipline of the party.

These new positions have provided an opportunity for the government and the party to accommodate changes within the CPP. Not only has the creation of new positions kept outgoing officials happy and reduced the risk of creating political rifts within the party, but the process has also enabled the government and party to replace the old generation with a new group of officials who are more capable of managing the changing political economy. As such, decentralisation reflects the need for the government and the party to adapt to generational change as well as to accommodate change resulting from Cambodia's many recent transformations. This is an opportunity for an ageing party to rejuvenate and by doing so to create better state capacity without changing its ways of governing.

10.1.3   *Horizontal accountability: councillors and board of governors*

Various mechanisms and processes for councillors to hold appointed officials accountable have been put in place. However, because the dominance of the board of governors and the strict discipline within the CPP is upheld in the new decentralised structure, the establishment of weak forms of accountability merely for the board of governors to consult and secure approval from councillors fails to empower councillors and undermines the dominance of the executive power as desired by donors.

For instance, district meetings are ostensibly intended to provide a forum for councillors to conduct oversight of the board of governors and the administration. They have been organised monthly as mandated by the law. According to my observations discussed in Chapter 8, the meetings often lasted for half a day, covering various mundane administrative reports, but they have failed to serve as an effective mechanism for the councils to check on the performance of the administration or to discuss demands from ordinary people or debate policy options with the board of governors. So far, these meetings have been used as a platform for the board of governors to consult and share information about decisions that have already been made.

However, two important and perhaps unexpected dynamics are revealed in these meetings. First, regular meetings and their subsequent reporting have provided MOI with greater detail about the work and activities of district officials which MOI can use to control and discipline them. Decisions taken at the meetings and minutes from them are not shared publicly but are sent upward for review and approval. Second, some councillors from opposition parties have occasionally taken advantage of the meetings to criticise the board of governors and to report on problems they have collected from the people. Although their questions and comments are often rejected and are not taken seriously at the meetings, some of the information is taken up and acted upon by the CPP within their party meetings. Clearly, the government and the CPP are using these accountability mechanisms to collect information from various actors to help them strengthen their own ability to get things done and avoid trouble from the populace rather than to empower critical voices.

10.1.4 Vertical accountability: higher level of government and commune councils

My other significant observation from these council meetings relates to accountability relations between the district and the commune level, which were examined in Chapter 9. Although the meetings are ostensibly intended to provide an opportunity for citizens, civil society and particularly the democratically-elected commune councils to monitor higher levels of government and make demands, so far the meetings have been used at the district level to hold the commune councils to account.

There were two further unexpected findings concerning relations with the communes. First, the district councillors and district governors are using their positions and district platforms to hold the commune councils accountable in a way that subordinates the communes to pre-existing government hierarchies. This mechanism works against the supposedly democratic intent of decentralisation, whereby commune councils were supposed to demand and oversee the higher levels of government in their constituents' interests.

Second, opposition parties have to some extent used the district councils to their advantage as a forum where they can exercise oversight and criticise the CPP-dominated communes whereas their own commune councillors fear to raise such issues within their communes. Here, the council meetings are being used as a vehicle for some kind of effective oversight by the opposition, which is an important aspect of democracy although not at all the aspect envisaged in the law. However, the opposition parties' attempts have so far yielded few results.

In other words, the district decentralisation complicates the hierarchical relationship between the commune and district levels. While the communes are supposed to represent impartially the concerns of their constituents through the development and implementation of their development plans, and while they ought to be the most accessible level of government for their constituents, the government and the CPP are concerned about the growing confidence of the communes which they fear might be getting out of control. This state of affairs requires giving the district level the role of working with and supervising the communes, a process which has undermined the latter's autonomy.

Certainly, the way decentralisation at district level is designed and implemented suggests that it increases the opportunities for central patrons to manage local officials better and to subordinate them to pre-existing power hierarchies. Decentralisation in this sense empowers the already powerful – the party and its patronage network, and indeed shores up the foundations of the CPP's control and makes the renovated system work more effectively for them than before.

10.2   Future Prospects for Decentralisation in Cambodia

Looking to the future, the evidence discussed above suggests that meaningful decentralisation, whereby substantial discretionary power and resources are devolved to locally accountable bodies, is unlikely to occur in Cambodia. As discussed in Chapter 2, where I pointed out that decentralisation has been meaningful elsewhere in Southeast Asia and in Latin America, I argued that this success was because decentralisation was pushed for by empowered local demands. In the case of Cambodia, however, the power of sub-national level actors has been consistently undermined and controlled by the central government and the ruling party. Without powerful local level interests, decisions about the future of the decentralisation will continue to be made by the political elite at the highest level, and the on-going centralisation of power and resources can be implemented without provoking local resistance.

Cambodia's experience with decentralisation as demonstrated throughout this thesis also suggests that western donors have not been successful in shaping the forms and prospects of their reform programmes. Although they have been influential in promoting and funding the decentralisation programme, they have had limited control over its implementation. This is evident in their inability to get the Cambodian government to provide for direct election of district and provincial councils, to make substantial delegation of functions and own source revenues to commune authorities, or to set in place the regulatory practices associated with ruled-based governance at sub-national levels. This point is important as foreign aid has been key to the government's adoption of decentralisation, and this evidence suggests that donor pressure will further diminish when their funding for technical assistance and capital budget for decentralisation ends.

However, the success of the CPP in sustaining its position of dominance over the last two decades is due to its ability to continually undertake reforms that will keep them in power.

The party's claim to legitimacy, which has been partly based on its ability to deliver rural development projects, has proved insufficient to address the popular grievances resulting from on-going forced evictions and the exploitation of natural resources. Violent protests have been common in recent years, and the greatly increased vote for the opposition parties in the 2013 election where CPP lost at least 22 seats in the National Assembly is another example of expressions of discontent with the government. This unexpected election result suggests that domestic legitimacy is likely to be a continuing concern for the government and the party elite, and an important source of pressure on them in the future.

Since the formation of the new government after the 2013 election, official speeches and statements from its highest leaders suggest that they need to 'do something' to convince the public that the new government will accommodate the 'change' that so many of them voted for in the election, and that it intends to remain in power after the next election (Khy, 2013). The government also needs to win international legitimacy and convince western donors that it is serious about their reform programmes in order for any further aid to be disbursed as international aid continues to be important to the state and to local NGOs. Consequently, the government has made a long list of reformist commitments at this stage according to the government's Rectangular Strategy Phase III (Government of Cambodia, 2013). However, it is important to note that the government and the party elite continue to articulate the need to prioritise and conserve peace, political stability, security and social order that has been maintained through the promotion of networks of loyalty and protection (ibid). Such a belief suggests that transformative reforms that could drastically change the way the government works are unlikely to be implemented. In particular, institutional reforms that might significantly diminish the cohesiveness and effectiveness of its patronage network will continue to be resisted.

As far as decentralisation is concerned, there is little reason to expect radical change in the way decentralisation will be implemented in the near future. Nonetheless, concern over domestic legitimacy may promote decentralisation in three ways. First, the government may strengthen commune and district levels in order to increase their responsiveness to the rising expectations of the very poor and landless. This might include increasing the capacity and responsibility of government officials employed at the sub-national level, such as by transferring resources and social service functions in education and health from

the centre to district and provincial governments. New capacity and responsibility would provide an important complement to the CPP associated rural infrastructure projects.

Second, programmes and activities intended to enable the people to raise their demands and grievances directly to the government, before the opposition can take advantage of dissent, are likely to be emphasised and expanded. Prime Minister Hun Sen has specifically suggested public forums where responsible officials from ministers down to commune chiefs meet with the public as mechanisms for criticism and getting close to the people (Hun, 2013). In my conversations with officials at Ministry of Interior and governors at Dek and Thmar district in November 2013, I found that public forums have been actively implemented where district councillors and district governors have been meeting with their constituents to hear their needs and problems.

Finally, along with more delegation of functions and resources to sub-national level come surveillance mechanisms which will enable the centre to elicit information about local officials, and to achieve oversight and reduce their discretionary activities and power. Clear evidence of this effort is the creation of a new national working group directly accountable to the Prime Minister where a senior government minister is assigned a province and is tasked to monitor and report on compliance of local authorities in implementing national level policy and decisions as well as information about local grievances (Khy 2014). Other initiatives include various forms and opportunities for civil society, media and the public to observe and report on local officials' bad behaviour such as through commune accountability boxes, mechanisms of social accountability like citizen report cards and talk-back radio, and through selective implementation of anti-corruption measures.

10.3   Conclusion

Cambodian decentralisation has operated thus far to consolidate and extend CPP power rather than to challenge or transform it. This is consistent with the fact that since the start of decentralisation in Cambodia in 2002, the broader political economy of Cambodia has significantly assisted the CPP to build its support base through its preferred patrimonial ways of working, and the greater integration of Cambodia into the regional economy has brought increasing flows of foreign investment which the CPP has been able to co-opt and

control. A decentralisation programme has been enacted in a context of increasing CPP ascendency rather than at a time, as in the 1990s, when CPP power was uncertain. Because reform takes place in the context of politics-as-usual, the institutions created by decentralisation programmes, in so far as they have been implemented, have taken on a character that is shaped by rather than shaping CPP power, and it is difficult to see how this might change, unless there is a broader national or regional crisis which sees the collapse of trade and investment and of key sources of CPP support – namely, donations from foreign and local businesses. The various dimensions of the decentralisation programme analysed in this thesis support this conclusion.

The Cambodian evidence presented throughout this thesis confirms previous doubts about the political outcomes of decentralisation reforms documented in other countries of the world. In particular, donor-promoted decentralisation reforms are unlikely to facilitate a wholesale transformation of local political contexts characterised by centralised, corrupt and personalist relations found in many developing countries. As shown in this thesis and in literature elsewhere, although crises, pressures from western donors and pressures from other local actors have often prompted governments to implement institutional reforms, including decentralisation programmes, elites are able to negotiate, co-opt and resist various aspects of reform to serve their needs and interests. Instead of replacing the old way of working preferred by the elite, donors' templates for good governance provide the elite with more room to stay in power rather than allowing ordinary people to challenge the existing system of power. This has resulted in a fusion and co-existence of the donors' good governance approach with local modes of working which formally retain democratically-reformed institutions, but which bend their functions and normative content so that they compromise the prospects for good governance. Despite donors' efforts to make governments more inclusive and accountable to ordinary people, the good governance approach advocated by donors has in fact been used by powerful elites to entrench their interests.

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Appendices

Appendix 1: Chronology of Events in Cambodia 1975-2014

Years	Events
1975	Khmer Rouge regime came to power in April 1975.
1978	Vietnamese invasion of Cambodia in December 1978.
1979	End of the Khmer Rouge regime in January 1979.
	A Vietnamese-installed government - People's Republic of Kampuchea (PRK) was established.
1981	People's Revolutionary Party of Kampuchea (PRPK) was created.
1985	Hun Sen became prime minister.
1989	End of the Cold War.
	Vietnamese troops and advisors withdrew from Cambodia.
	Adoption of free-market economy and private land ownership.
	The PRK was renamed State of Cambodia.
1991	The PRPK was renamed Cambodian People's Party (CPP).
	Signing of Paris Peace Agreement between Phnom Penh's government and four other Cambodian parties which paved the way for the United Nations peacekeeping mission in Cambodia (UNTAC).
1992	UNTAC arrived in Cambodia.
	Return of western aid and diplomats.
	Many new political parties established to contest in the national election supervised by UNTAC.
	Many non-governmental organizations (NGOs) were created and received substantial support from foreign aid plus technical support.
	UNDP established CARERE 1 (1992-1995) to provide infrastructure for the resettlement of refugees and internally displaced people.
1993	First general election held.
	FUNCINPEC won 58 of 120 seats, CPP got 51.
	Coalition government between FUNCINPEC and CPP formed with Prince Norodom Rannarith as first prime minister and Hun Sen as second prime minister.
	Constitutional monarchy was adopted.
	Kingdom of Cambodia replaced the State of Cambodia.
1995	Mr Sam Rainsy, Funcinpec's minister of economy and finance, was fired and expelled from the party. He formed a new political party named Sam Rainsy Party (SRP).
1996	The government established the Seila programme for rural development and poverty reduction.
	CARERE 2 (1996-2001) started focusing on local development through participatory planning and provision of local development funding. It provided support structure and funding for technical assistance and capital budget to the Seila programme.
1997	Hun Sen's military ousted Prince Rannarith of Funcinpec in a coup.
1998	Pol Pot died.
	End of fighting; remaining Khmer Rouge armies surrendered and joined the government.
	Second general election. CPP won 64 seats, Funcinpec 43, and SRP 15.
1999	New coalition government between CPP and junior partner Funcinpec.
	Hun Sen became prime minister and Prince Rannarith president of National Assembly.
	Cambodia joined ASEAN (Association of Southeast Asian Nations).

Year	Events
2001	Law on Management and Administration of Commune and Sangkat, and Law on Election of Commune/Sangkat Councils were promulgated by the National Assembly.
	Seila programme was extended from 2001-2005.
	CARERE 2 ended. A new donor's supported programme called Partnership for Local Governance (PLG) 2001-2005 was created, focused on good governance and poverty reduction.
2002	Commune/sangkat council elections held. CPP dominated 1,598 of 1621 communes while Funcinpec and SRP won only 10 and 13 respectively.
2003	Third general election. CPP won 73 of 123 seats, Funcinpec 26, SRP 24.
2004	Cambodia joined WTO (World Trade Organisation).
2005	Strategic Framework for Decentralisation and Deconcentration adopted by the government.
	Seila and PLG programme extended until 2006.
2006	Norodom Rannarith Party (NRP) was established after Prince Rannarith was expelled from his Funcinpec party.
	National Committee for Democratic Development (NCDD) chaired by Ministry of Interior was created to implement decentralisation and deconcentration.
2007	Commune/sangkat council election held. CPP controlled 1591 of 1621 commune councils, SRP 28 and Funcinpec only 2.
	End of Seila programme. Seila's system and resources were put under the management of NCDD.
	A new donor programme called Project to Support Decentralisation and Deconcentration (PSDD) was established 2007- 2010.
	Human Rights Party (HRP) led by rights activist Kem Sokha was created.
2008	Fourth general election held. CPP won 90 seats, SRP 26, HRP 3, Funcinpec and NRP 2 seats each.
	Law on Management and Administration of Capital, Provinces, Municipalities, Districts and Khans (Organic Law) was adopted.
2009	Indirect election of district and province councils. CPP controlled all district and provincial councils.
2010	Ten Years National Programme for Democratic Development at Sub-national Level (NP-SNDD) for 2011-2019 was adopted.
2011	DFID, DANIDA and USAID ended their support to decentralisation in Cambodia.
2012	Commune/sangkat council elections held. CPP controls all except 41 commune councils.
	Cambodian National Rescue Party (CNRP) was formed by merging the SRP and HRP parties.
2013	Fifth general election held. CPP won 68 seats and CNRP 55.
2014	Indirect election of district and provincial councils planned for May 2014.

Appendix 2: List of People Interviewed December 2010 - February 2013

No	Name of Informant/s	Position	Location of Interview	Number of Interviews
1.	Sak Setha	Head of NCDDS and Secretary of State of MOI	Phnom Penh	1
2.	Leng Vy	Director General, General Department of Local Administration, MOI	Phnom Penh	1
3.	Yin Malyna	Director of Department of Local Administration, MOI	Phnom Penh	1
4.	Sor Vorin	Deputy Director of NCDDS	Phnom Penh	5
5.	Liam ChhonKry	Advisor of NCDDS	Phnom Penh	1
6.	Prak Samoeurn	Deputy Director of NCDDS	Phnom Penh	2
7.	Touch Polponlork	Advisor of NCDDS	Phnom Penh	5
8.	Hans van Zoggel	Advisor of NCDDS	Phnom Penh	3
9.	Scott Leiper	Advisor of NCDDSS	Phnom Penh	1
10.	Dermot Shield	Consultant of NCDDS	Phnom Penh	1
11.	Leonardo Romeo	UNCDF	Phnom Penh	1
12.	Liv Bunhay	Director of Department of Local Finance, MEF	Phnom Penh	3
13.	Bou Vongsokha	Deputy director of Department of Local Finance, MEF	Phnom Penh	2
14.	Hang Chhoun Naron	Secretary of State, MEF	Phnom Penh	1
15.	Kong Monychan	Governance Officer, World Bank	Phnom Penh	3
16.	Ouch Chamrouen	Governance officer, Asian Development Bank	Phnom Penh	1
17.	Pok Sokundara	National League for Commune/Sangkat	Phnom Penh	1
18.	Noel Matthew	Donor coordinator	Phnom Penh	1
19.	Maria Fariello	Governance officer, European Commission	Phnom Penh	2
20.	Cheap Sam An	Governance officer, Danida	Phnom Penh	1
21.	Chhor Sophal	Pact Cambodia	Phnom Penh	1
22.	Thyda Kus	Executive director, Silaka	Phnom Penh	2
23.	Katharina Humber	Head of GTZ	Phnom Penh	1
24.	Shelly Flam	Consultant of GTZ	Phnom Penh	1
25.	Gereon Kus	Officer of EU SPACE programme	Phnom Penh	1
26.	Judith Leveile	Manager of UNICEF Local Governance Programme	Phnom Penh	1
27.	Pamela Jawad	Functional Specialist, GTZ	Phnom Penh	2
28.	Hou Chhounkry	Decentralisation Focal person, Ministry of Education	Phnom Penh	2
29.	Uk Chanbolinda	Officer, STAR Kampuchea	Phnom Penh	1
30.	Researchers	CDRI	Phnom Penh	2
31.	----	Deputy governor, Province A	Provincial Hall	1

No	Name of Informant/s	Position	Location of Interview	Number of Interviews
32.	----	Director of Administration, Province A	Provincial Hall	1
33.	----	Chair of Provincial Council, Province A	Provincial Hall	2
34.	----	Female provincial Councillor, Province A	Provincial Hall	1
35.	---	CPP businessman turned provincial councillor, Province A	Provincial Hall	1
36.	---	CPP provincial councillors, Province A	Provincial Hall	1
37.	---	One NRP and 3 SRP councillors, Province A	Provincial Hall	1
38.	---	Provincial Advisor, Province A	Provincial Hall	1
39.	----	Provincial Advisor, Province A	Provincial Hall	2
40.	Mr Mab	District governor, Dek district, Province A	District office	4
41.	----	Female deputy district governor, Dek district, Province A	District office	2
42.	---	Male deputy district governors, Dek district, Province A	District office	2
43.	---	Director of district administration, Dek district, Province A	District office	4
44.	---	Representatives of district line offices, Dek district	District office	2
45.	---	District advisor, Dek district	District office	2
46.	Mr Sar	Chair of District council, Dek district	District office	4
47.	---	10 male CPP councillors, Dek district	District office	3
48.	---	2 Female CPP councillors, Dek district	District office	3
49.	---	3 SRP councillors, Dek district	District office	3
50.	---	Commune Chief, Dek district	Commune office	3
51.	----	Commune councillors, Dek district	Commune office	1
52.	----	Commune clerks, Dek district	Commune office	1
53.	---	Village chiefs, Dek district	Commune office	1
54.	---	Focus groups meetings with some villagers, Dek district	Villages	4
55.	----	Commune chief, Dek district	Commune office	3
56.	----	Commune councillors, Dek	Commune office	1

No	Name of Informant/s	Position	Location of Interview	Number of Interviews
57.	---	Commune clerks, Dek district	Commune office	2
58.	---	Village chiefs, Dek district	Commune office	1
59.	---	Focus groups meetings with villagers, Dek district	Villages	4
60.	---	Deputy provincial governor, Province B	Province B	1
61.	---	Director of Administration, Province B	Province B	1
62.	---	Chair of Provincial Council, Province B	Province B	1
63.	---	3 CPP and 2 SRP provincial councillors, Province B	Province B	1
64.	---	2 SRP provincial councillors, Province B	Province B	1
65.	---	2 female CPP provincial councillors, Province B	Province B	1
66.	---	Provincial advisor, Province B	Province B	2
67.	Mr Rouen	District governor, Thmar district, Province B	District office	4
68.	----	Male deputy district governors, Thmar district	District office	3
69.	---	Female deputy district governor, Thmar district	District office	2
70.	---	Director of administration, Thmar district	District office	3
71.	---	Representatives of district line offices, Thmar district	District office	3
72.	Mr Keut	Chair of District council, Thmar district	District office	3
73.	---	New chair of district council, Thmar district	District office	2
74.	---	10 CPP councillors, Thmar district	District office	3
75.	---	A female councillor, Thmar district	District office	3
76.	---	4 SRP councillors, Thmar district	District office	3
77.	---	District advisor, Thmar district	District office	3
78.	---	Commune chief, Thmar district	Commune office	2
79.	---	Commune councillors, Thmar district	Commune office	2
80.	---	Commune clerks, Thmar district	Commune office	2
81.	---	Village chiefs, Thmar district	Commune office	1
82.	---	Focus group meetings with villagers, Thmar district	Villages	4

No	Name of Informant/s	Position	Location of Interview	Number of Interviews
83.	---	Commune chief, Thmar district	Commune office	3
84.	---	Commune councillors, Thmar district	Commune office	2
85.	---	Commune clerk, Thmar district	Commune office	1
86.	---	Village chiefs, Thmar district	Commune office	1
87.	---	Focus group meetings with villagers, Thmar district	Villages	4