SUPPORTING SOCIAL ACCOUNTABILITY IN THE MIDDLE EAST & NORTH AFRICA

Lessons Learned from Past Political and Economic Transitions

Sustainable Development Department
Middle East and North Africa Region

The World Bank
SUPPORTING SOCIAL ACCOUNTABILITY IN THE MIDDLE EAST & NORTH AFRICA:

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“We have strong institutions... the framework is there. But something extraordinary happened over the last nine months in Tunisia, which is the emergence of civil society. And we’ve seen evidence of that all over the country. And this is something important, because I believe that this is something that is going to offer the strongest, perhaps the strongest element of comfort for the new democracy to be consolidated.”

_Tunisian Minister of Finance, H.E. Mr. Jelloul Ayad_

“People, unless they see by their eyes what is going on in the government, how the government is using the public finance, they will not trust what is going on. And I made a promise when I just took office, that the day I will know my salary, I will disclose it – which I did a month later, to the surprise of everyone...When you are getting public money, everyone should know how it is used, why you get it, and how your colleagues get it.”

_Egyptian Deputy Prime Minister for Economic Affairs and Finance, H.E. Mr. Hazem El-Beblawi_
Supporting Social Accountability in the Middle East & North Africa
Foreword

How can we build social accountability into better governance, how can we build it into development, how can we build it so that everybody in a country has a chance to have ownership in the development and growth of their country?


Since January 2011, citizens from the Middle East and North Africa Region (MNA) have asserted their rights for a more inclusive state – a state willing to broker a new social contract which better reflects the aspirations of ordinary citizens towards equitable progress for all. As we wait to fully comprehend the underlying causes and future trajectory of the Arab Spring, none can doubt that barriers once seen as unbreakable are now broken. Citizens from the Middle East have united across ideological, demographic, religious, and ethnic lines in promise of a better future to meet their collective needs. Going forward, we believe that responding effectively to the demands of citizens will require attention to social accountability and civil society processes at the local, national and regional levels.

Supporting initiatives strengthening social accountability at the regional and national levels is consistent with the Bank’s focus on social and economic inclusion as well as governance and civic participation. As part of the Annual Meetings, on September 22, 2011, the World Bank convened a conference of high level decision makers from the Governments of Philippines, Indonesia, Turkey and the Middle East and North Africa Region to share lessons about how the principles and practices of social accountability can facilitate economic and political transitions. Key speakers included: H.E. Mr. Jelloul Ayad, Minister of Finance from Tunisia; H.E. Mr. Hazem El-Beblawi, Deputy Prime Minister for Economic Affairs and Finance Minister from Egypt; Turkey’s Minister of Development, H.E. Cevdet Yılmaz; Professor Dewi Fortuna Anwar, Deputy Secretary to the Vice President for Political Affairs, Office of the Vice President from Indonesia; and Secretary for the Department of Social Welfare and Development, H.E. Mrs. Corazon Soliman from the Philippines. In an effort to facilitate spaces for dialogue, a panel of leaders from civil society organizations from the MNA Region comprised of Mr. Mohamed Nada from Egypt, Ms. Nancy Fasho from Jordan, and Mr. Ghassan Kasabreh from the West Bank and Gaza exchanged perspectives about social accountability in the region, emerging opportunities, and key challenges, in the context of evolving social and political transitions.

The objective of this report is to allow decision makers in the Middle East and North Africa Region to learn from each other and international experiences in supporting social accountability during political and economic transitions. It draws lessons from countries outside the region – Indonesia, Turkey and Philippines - societies that have supported efforts towards more open societies to reap the benefits of a more inclusive and sustainable growth pattern.
These are extraordinary times, but many economic and social challenges remain. Much work lies ahead to realize the hopes that have been unleashed by the “Arab Spring.” The calls by ordinary citizens for genuine participation in the decisions and policies that affect their lives should inspire governments in the region— and their international partners, including the World Bank— to adopt flexible and creative approaches for including the peoples’ voices in every aspect of policy making and implementation.

[Signature]

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EXECUTIVE SUMMARY

Social accountability is increasingly recognized as a critical factor in improving development outcomes. There is a growing body of evidence, as highlighted in the 2004 World Development Report: Making Services Work for Poor People, that citizen participation—through consultation about needs, identification of beneficiaries, monitoring and providing feedback on performance—improves the quality of public services and of governance.

Social accountability is an approach to governance that involves citizens and civil society organizations (CSOs) in public decision-making and in holding governments accountable for its actions, especially with regard to the management of public resources. It is a way to make government work more effectively by enabling citizens to articulate their needs, and be more fully included in the activities of government, such as the making of policies, management of public finances, and delivering of services, while also monitoring and giving feedback on government performance. Defined in this way, social accountability is, in essence, an important feature of democratization, and is therefore particularly relevant for countries in transition in the Middle East and North Africa.

The framework for social accountability is organized around three key principles: (i) transparency, (ii) accountability; and (iii) participation. The effectiveness of these principles depends on several enabling conditions: (i) a conducive political environment; (ii) an appropriate policy and legal framework; (iii) capable and supportive state-actors; and (iv) institutional capabilities of non-state stakeholders.

Social accountability has an instrumental value. Its mechanisms can help to:

- establish and implement policies that are responsive to broad public interest;
- ensure that resources are allocated to areas and services that citizens need;
- track the flow of resources, to reduce leakage and corruption;
- monitor the quality of outputs and services delivered.

More broadly, the transparent policy environment created by social accountability can lead to increased foreign investment. Economic research has shown that countries with higher levels of transparency are more competitive; and that higher foreign direct investment and competitiveness are associated with higher growth.

Experiences in countries that have gone through political and economic transitions, such as Indonesia, Philippines, South Korea, Peru, Mexico, Chile, Argentina, Turkey, Spain, and Portugal, show how political and economic crises can give way to democratic transitions that reorder the relationship between citizens and government, and in the process create new opportunities for reform and economic growth. This paper showcases some of these. For example:
In the Philippines, after the People Power revolution which was primarily political in nature, citizens began to participate in enforcing the accountability of government institutions for public finance management, public procurement, and education.

In Indonesia, following the ouster of President Suharto, new legislation on freedom of association and expression created the enabling conditions for citizen-based accountability initiatives in community-driven development, natural resource management, education, and local government and in this and other respects had an important role in the development of the economy.

In Turkey, the transition to democracy was difficult, due to risks of internal instability, the geo-political environment, and a monetary crisis. Despite initial setbacks, progressive reforms have created an enabling environment for civil society and guarantees of civil and political rights.

As governments in MNA start to build new democratic foundations for their countries, the message from citizens is that they want to be included in the process. Social accountability practices can facilitate such inclusion, while promoting real improvements in the way government works and delivers services. This note argues that a social accountability approach could help reinforce MNA’s political transition by:

- signaling that MNA governments intend to be more transparent and accountable, and allow citizens to play an active role in shaping and implementing those reforms.

- making policies more relevant to the needs of citizens. Providing mechanisms for participation in policy dialogue could also reduce the risk of political instability. Exclusion from government has been cited as an important factor in the Arab uprising.

- empowering citizens to demand better services and to monitor the use of public resources, thereby positioning them as key agents in the fight against corruption in government, clientelism, and elite capture—all important factors in the Arab uprising.

Preliminary lessons are emerging from the social accountability practices being implemented in the MNA region. Understanding the socioeconomic, institutional, and political context—including power dynamics—are necessary in order to determine the correct entry point for social accountability mechanisms.

The experience of implementing social accountability in the Arab World to date points to its value in improving transparency and service delivery across sectors, and in giving voice to citizens as users. The heightened interest in democratic governance shown in the Arab Spring are important entry points for citizen participation to improve delivery of services, and other key areas of governance such as policymaking and management of public finance. Citizen feedback mechanisms, as in the case of the Tunisia health sector; disseminating information about services, as in the Yemen water sector; or engaging citizens in prioritizing their needs, as in West Bank and Gaza; show that social accountability has real potential to transform the way government services are provided in MNA.
Some of the key lessons learned from political and economic transitions in the Philippines, Indonesia, and Turkey, which can be of interest for some countries in MENA which have experienced similar transitions, are summarized below:

- **Active citizen participation in public affairs requires an enabling environment.** Appropriate legislation to promote freedom of expression, free and independent elections, and freedom of association provides important guarantees to citizens, and needs to be prioritized as part of the process of transition.

- **Government outreach to civil society is critical to building confidence and trust.** In post-revolutionary environments of raised expectations, new governments have opportunities to engage citizens and stakeholders from all segments of society at every level of decision-making: civil society organizations, local communities, representatives of the poor and vulnerable, religious groups, and women’s groups. Such engagement should be supported by mechanisms for genuine dialogue.

- **Proactive disclosure of information by the government about its plans during transitions helps manage expectations of citizens.** During transitions, governments are challenged to respond to multiple demands at the same time. Part of Turkey’s success in managing transitions was to publicly disseminate realistic plans and expected time tables for achieving milestones, an approach that resulted in broad based support for the ruling party from informed citizens.

- **It is important to invest in improving service delivery through partnership with civil society and users.** Public participation spearheaded by CSOs can lead to concrete shifts in the way services are provided. As the textbook monitoring (cited below) and other examples from the Philippines show, CSOs can be powerful allies to government in bringing about positive change. This is most commonly done in the area of service delivery.

- **Engaging with a broader range of stakeholders during transitions increases the legitimacy of the new government and increases sustainability of reforms.** Indonesia’s new government, like other countries that experienced transitions, lacked legitimacy to implement long-term reforms. The government reached out to CSOs, academics, think-tanks, religious groups and student groups. A key lesson was that an open, participatory, inclusive and accountable political system can generate needed national consensus and enable broad-based public ownership and support of national reform priorities and development goals.

- **Bottom-up processes through decentralization reforms and community-driven development enable citizen participation and improvement of services.** As transitions take time, the new governments can focus on implementing programs that yield quick results, such as community-driven development programs, as was effectively done in Indonesia. Moreover, bottom-up approaches in Indonesia’s transition helped citizens to articulate their needs, local institutions to be strengthened, and citizens’ trust in government to be established. The Kecamatan Development Program was designed with strong
participation of local citizens, and incorporated several anti-corruption elements from the outset, including independent monitoring by journalists and CSOs, and grievance redress mechanisms.

This paper provides a conceptual framework for thinking about how to create a new social contract in the Arab World, and describes the three key elements of social accountability in political systems—transparency, accountability, and participation. It also summarizes some on-the-ground experiences from successful political and economic transitions in Indonesia, Turkey, and the Philippines. The forum for which the paper was prepared included speakers from each of these countries, who discussed the enabling factors that supported their transition; how the entry points for social accountability measures were identified; the roles played by the government, parliament, media, civil society organizations, religious groups, and others in supporting the new objectives for more open, transparent, and accountable institutions; and remaining challenges in making government more effective through an informed and engaged citizenry.
1. What is Social Accountability and Why is it Important?

Social accountability is an approach to governance that involves citizens, civil society organizations (CSOs), media, and other non-state actors in holding government accountable for its decisions and actions, especially with regard to the management and use of public resources. It is a way to make government work more effectively for citizens by giving them voice, and the opportunity to articulate their needs, monitor the government’s actions - from policymaking to management of public finances and delivery of public services, express their satisfaction or dissatisfaction with its performance, and even propose remedial measures. This level of engagement is an increasingly important feature of the democratization process that complements in indispensable ways the roles of elected representatives and the internal accountability systems of the government.

Social accountability depends on government creating particular enabling conditions, in collaboration with non-state actors. These conditions include a conducive political environment (notably, respect for the rule of law, civil and political rights); supportive policy and legal frameworks; efficient government processes; and facilitative norms and behaviors on the part of public officials. Systematic analysis of prevailing conditions, and consultation with a broad range of non-state actors, is often needed so that necessary reforms can be undertaken based on evidence.

In addition to enabling conditions, social accountability also depends on state and non-state actors having specific capabilities. These include knowledge of the basic principles, tools, and mechanisms of social accountability (see below); the ability to adapt these tools and mechanisms to particular areas of engagement, mobilize groups to demand specific remedies, monitor government actions, and also to measure results and impacts so that improvements can be made.

There are various ways to delineate the key elements of social accountability. A framework that is often used by the World Bank is organized around three building blocks:

- **Transparency.** Transparency refers to the availability of information to the general public and clarity about government rules, regulations, and decisions. It is the foundation upon which both accountability and participation are built. There are three dimensions of transparency: (1) disclosure of information (the level of transparency of the government regarding, for example, budgets, expenditures, programs, etc.); (2) demystification of information (strengthening the level of awareness and understanding of citizens, for example, about laws, rights, budgets, policies, etc.); and (3) dissemination of information (spreading information as related to, for example, governance issues, processes, finances, laws, etc.) to the public. In promoting transparency, dissemination of information should be followed by citizen action and advocacy based on this information. Government can support these processes by adopting open information policies and platforms, and enacting access to information (ATI) legislation. CSOs can promote the use of open information by citizens through awareness raising and training.

- **Participation.** Participation refers to citizens influencing decisions, policies, budgets, and government activities that affect them. Participation should be rigorous, of high quality, and able to make a difference. The involvement of civil society organizations, consumer groups, and affected communities in policy making and implementation can simultaneously improve development outcomes and reduce the scope for fraud and corruption. Government needs to
create space for dialogue with citizens on the need for and design of policy reforms and other initiatives. Citizens can strengthen their position in participation through information and the use of advocacy organizations. Citizens’ contributions to policy dialogue, and feedback on existing policies and programs, need to be acknowledged and acted upon. Government responses can include reallocation of budget resources, appointing citizen representatives to special committees, undertaking new initiatives, or delivering or reforming specific social services in response to citizen proposals.

**Accountability.** Accountability can be defined as the obligation of power-holders to account for or take responsibility for their actions. These power-holders can be held accountable for both their (1) conduct in that they must obey the law and not abuse their powers and (2) performance in that they must serve the public interest in an efficient, effective, and fair manner. In return, people have rights and responsibilities, including the right to information, the right to organize, the right to services and the obligation to uphold their responsibilities as citizens. User report cards on service provision, independent analysis of budgets, and multi-stakeholder oversight committees are commonly used mechanisms. In addition, CSOs can help to strengthen the work of parliamentary oversight committees.

Government disclosure and informed citizen engagement act together to create a culture of openness and accountability that can foster public support for reforms. This “collaborative governance” may be particularly relevant for countries in transition in the Middle East and North Africa (MNA) region, where there is an urgent need to restore public trust in government.

**Why is social accountability important?**

The World Bank supports social accountability because of its potential to improve economic growth, social justice and service delivery, as highlighted in a growing body of evidence. In Uganda, for example, the tracking of education spending animated stakeholder demand for accountability and led to dramatic increases in the proportion of funds destined to schools, reducing the scope for fraud and corruption. Social accountability mechanisms can help to:

- Set and adopt policies that are responsive to broad public interest;
- Ensure that policies and budgets put resources into areas and services that citizens need (allocative efficiency/responsiveness);
- Track whether there are leakages in funds as they flow to their final destination (and reduce corruption);
- provide incentives for frontline staff and service agencies to perform better;
- Monitor quality of outputs and services delivered; and
- Generate awareness and demand among citizens to utilize the services that are available to them, including through encouraging additional revenues (via community contributions or taxes) for services once these are seen to be more responsive.

The opening up of government information, and ensuing public oversight, can also reduce volatility of private investment and consumption. Indeed, as shown in economic research, countries with more
transparent policy environments attract more foreign investment; countries with higher levels of transparency are more competitive; and higher foreign direct investment and competitiveness, are associated with higher growth.

In addition to such “instrumental value,” social accountability also has an “intrinsic” value, in signaling that government is open to the citizens, and they are included. This can contribute to greater political credibility and legitimacy, and contribute to lowering conflicts. World Bank Group Managing Director Sri Mulyani has argued that times of crisis can be times of great opportunity. The political crises of the MNA represent an opportunity for such signaling.

International experience shows that social accountability approaches do not come without risks. If there is no state capacity to respond to citizens’ demands, social accountability could create cynicism, anomie, or apathy, or in some cases lead to unrest. On the other hand, supporting demand for good governance needs to be context-driven. Countries exhibit diverse political, economic and social characteristics and institutional capacities, and in some environments social accountability is can be manipulated to serve perverse political goals and therefore be counter-productive. In this respect stakeholders in each country should be diligent in determining and promoting social accountability approaches that respond to their unique circumstances, within the framework of democratic governance, as highlighted by the country case studies.

From the Philippines and Indonesia to Turkey, political and economic crisis have given way to democratic transitions that have reordered the relationship between citizens and government, and in the process created new opportunities for reform, economic growth, and the improvement of social welfare indicators:

- **In the Philippines**, after the People Power revolution, citizens began to participate in enforcing the accountability of government institutions for public financial management (PFM), public procurement, education, and other areas.

- **In Indonesia**, a country that shares some cultural and religious characteristics with MNA countries, a profound and complex transition followed the ouster of President Suharto, who had severely curtailed civil and political rights. New legislation on freedom of association and expression created the enabling conditions for citizen-based accountability initiatives in community-driven development (Kecamatan Development Program), natural resource management, education, and local government. This, along with other enabling conditions, arguably played an important role in the development of the economy.

- **In Turkey**, which also shares many characteristics with MNA countries, the transition to democracy was difficult and complex, due to risks of internal instability, the geo-political environment, and a monetary crisis. Despite initial setbacks, progressive reforms have been instituted, some as recently as 2010, to create an enabling environment for civil society and guarantee civil and political rights.

As governments in MNA start to build new democratic foundations for their countries, the message from their citizens is clearly that they want to be included in the process. Social accountability practices can facilitate such inclusion, while promoting real improvements in the way government works and delivers
services. This note argues that a social accountability approach could help reinforce MNA’s political transition in several important ways:

- It would signal that MNA governments intend to be more transparent and accountable, and allow citizens to play an active role in shaping and implementing those reforms.
- It would make policies more relevant to the needs of citizens. Providing mechanisms for participation in policy dialogue could also reduce the risk of political instability. Exclusion from government has been cited as an important factor in the Arab uprising.
- It would empower citizens to demand better services and to monitor the use of public resources, thereby positioning them as key agents in the fight against corruption in government, clientelism, and elite capture. These have also been important factors in the Arab uprising.
- It would help ensure the sustainability of reforms, by promoting greater citizen understanding of, and participation in, reform processes.

2. Social Accountability in the MNA Region

Despite notable improvements over the past decade, the Global Integrity Index suggests that MNA lags behind other regions on many governance dimensions, with legal and institutional gaps most pronounced in the areas of transparency, accountability, and participation (Figure 1). The situation for each of these dimensions is discussed briefly below.

![Figure 1. Government Performance around the World](image)

Source: Global Integrity Index 2009
Supporting Social Accountability in the Middle East & North Africa

Transparency

Several MNA countries lack key enabling factors of civic engagement, such as access to information, a free media, and government transparency. Morocco recently enshrined the right to access information in its revised Constitution. Tunisia has developed interim freedom of information legislation, and similar initiatives have been launched in Egypt and Kuwait. Even before the Arab Spring, a number of Arab countries had also embarked on budget transparency initiatives, but there were critical gaps in the types of information provided. Transparency reforms in the region will be needed to address these and other gaps.

Participation

Trends in civil society, and in the enabling environment for civic action, show a mixed picture. Lebanon, Morocco, West Bank and Gaza, and Iraq have vibrant civil societies. Laws in support of CSOs have been adopted in Iraq and Tunisia. Egypt and Jordan have initiated revisions to their CSO laws. In Morocco, Egypt, Tunisia, and Jordan, where the World Bank is supporting public service delivery, CSOs are active in e-government reforms and in participatory design and monitoring of government programs. At the other extreme, some MNA countries still have highly restrictive legal frameworks for CSOs, which constrains the ability of these citizens’ groups to contribute to development.

Accountability

Region-wide, government accountability to citizens and parliaments is undermined by inadequate checks and balances and unfettered powers of the executive branch, among other factors. At the same time, weak regulatory frameworks and lack of enforcement hinder the fight against corruption. Jordan, Tunisia, and Kuwait are amending their anti-corruption frameworks to address these issues; while in Egypt greater efforts at enforcement have enabled investigation and prosecution of high-level corruption cases. In Morocco and Iraq, with the support of the World Bank, judicial reform programs are beginning to improve the rule of law and access to justice. Tunisia and Morocco are increasing local government accountability through elected and strengthened municipal and regional councils.

Public finance management reforms in the region have been fairly successful, although the most advanced, such as performance-based budgeting, have had limited traction. Morocco, Tunisia, and Jordan are working on transparency reforms, and on strengthening parliamentary oversight, performance-based budgeting, and supreme audit and other institutions of accountability. In these and other MNA countries, and in light of significant issues around corruption and leakages, there is significant scope for citizen participation in improving accountability and building political support for the reforms.

1 With the exception of Jordan, no MNA country had a freedom of information law before the Arab Spring.
2 Morocco made revisions to the Constitution on July 1st, 2011. Article 27 enshrines the right to access information.
3 A new CSO Law was adopted by Tunisia’s High Instance (the defacto Parliament) on August 24, 2011. There are new liberal regulations regarding funding, among other changes. However, there are fears that the biggest political parties, including the religious parties and members of the previous controlling political party, will take advantage of this new law. (Source: http://www.babnet.net/cadredetail-38469.asp.)
2.1 Social Accountability Through Sectoral and Local Government Initiatives

Across every region—from India, Indonesia and Argentina, to Cambodia, the Democratic Republic of Congo and Albania—both governments and CSOs are using social accountability practices to complement internal systems of government accountability. Social accountability practices also have a significant presence in MNA, mainly through sectoral initiatives supported by local and international NGOs and by international donors such as USAID, the Ford Foundation, the International Budget Partnership, and the World Bank. A few initiatives of national governments supported by the World Bank, in the education, health, governance, and water sectors, are described briefly below.

Social Accountability in Education Sector

MNA has made considerable progress in primary school enrollment and other aspects of education over the past few decades, but overall quality remains low. Evidence suggests that social accountability interventions can lead to better school performance, notably through community participation in school-level decision-making and in monitoring student learning. There are promising initiatives of this type in Morocco and Egypt.

- In Morocco, the Government’s Education Development Policy Program is decentralizing and de-concentrating authority and responsibility for schools to Regional Education Authorities, and reinforcing their institutional capacity. The aim is to (i) increase accountability for local service delivery, (ii) improve targeting to reach the most vulnerable; (iii) and enhance accountability of education personnel through performance-based monitoring.

- In Egypt, a community score card (CSC) pilot is supporting the Ministry of Education’s National Strategic Plan to promote greater autonomy of schools. Citizens monitor school performance, with the aim of increasing the accountability of school management for academic learning. One hundred randomly selected primary schools (50 control and 50 treatment) covering the 7 districts in Ismailia Governorate have been selected for the CSC pilot, to evaluate improvements in school management and quality as a result of decentralization. The evaluation findings will inform decisions about whether to integrate the CSC methodology into School Improvement Plans. A challenge for the public authorities will be to learn from these pilots, and build a demand-driven accountability framework for service delivery that complements existing accountability measures.

Social Accountability in the Health Sector

Improving the quality of public health service delivery is a common policy objective across the region, and strengthening accountability is one key requirement. Most MNA governments do not routinely disclose financial information, annual budgets, or performance measures on health service delivery. In Tunisia, however, the Social and Economic Recovery Program promotes participatory monitoring of health, education, and social assistance services. It also aims to strengthen the legal framework for civil society participation; facilitates access to data, in order to promote transparency and independent analysis; and seeks to improve public procurement procedures in order to reduce corruption.
One initiative under the Social Recovery Program - the Ministry of Health’s maternal services program, led by the Directorate of Primary Health—works with local CSOs to (i) monitor service delivery through community scorecards; and (ii) provide community-based education on maternal and early childhood health care. The program targets three regions with high maternal mortality rates—Kasserine, Jendouba, and Tataouine.

Similar community-based approaches to healthcare in Eastern Europe, Latin America, and Sub-Saharan Africa have helped to increase access to pre-natal services and boost the rate of institutional births. If successful in Tunisia, the maternal services program will demonstrate that citizen empowerment and monitoring of health service delivery increases access to and responsiveness of health services, particularly in lagging regions.

**Social Accountability in the Water Sector**

Yemen faces a structural water crisis and several challenges in the water sector. They include unpredictable water availability; weak accountability of the water utilities; poor customer service; and a lack of sanctions for illegal connections. The Social Accountability for Service Improvement initiative, currently under implementation and linked to the multi-donor Water Sector Support Project, aims to enhance the performance of the Sana'a Local Corporation (water utility) and increase the satisfaction of its customers through physical investments and a communication and outreach program. Result so far include: water distribution schedules and problems related to water services are aired daily on Sana'a Radio; new water tariffs are printed on utility bills, and improved utility responsiveness to customers resulted in a 50 percent reduction in complaints. In addition, water filters have been installed in schools to raise awareness of water saving and safety, while the installation of air-release valves and pressurized water-meters enhance network efficiency and allow for consumption-based billing—important factors in enhancing customer satisfaction and willingness to pay utility fees.

**Social Accountability in Municipal Governance**

In the West Bank and Gaza, 74 percent of the population lives in urban areas and relies on services provided by 134 municipalities. Historically, the municipalities have been responsible for infrastructure and service provision. Since the establishment of the Palestinian Authority (PA) in 1994, they have also been playing a vital role in representing citizens and facilitating accountability of the PA to citizens. However, the municipalities face important challenges in fulfilling their role: primarily due to the ongoing conflict, contraction of the economy, poor municipal management, and citizens’ non-payment of municipal fees and taxes especially since the second Intifada in 2000. As a consequence, service coverage and quality have deteriorated.

**Several interventions have been undertaken to address these challenges:**

- **Strategic Development and Investment Plans (SDIPs)** use community participation to ensure that community priorities are integrated into municipal plans and budgeting. At present, over 42 municipalities are undertaking SDIPs.
The PA, through the Municipal Development and Lending Fund, ranks municipalities based on population, basic needs, and fiscal performance to determine the capital grant allocation for each municipality under the multi-donor Municipal Development Program. Citizen satisfaction surveys also identify the changes needed to improve the quality and coverage of municipal services. Social accountability efforts, started under the 2009–2012 Municipal Development Program, will be strengthened in the program’s second phase (2013–2016).

Municipalities use citizen services centers (one-stop shops) to provide services in an integrated manner and elicit feedback on their quality using a private-sector approach. At present, over 23 municipalities are developing such a customer focus.

In 2011, the PA has issued a code of conduct to improve the accountability of local government.

More municipalities are adopting participatory approaches. All 221 sub-projects of MDP have been based on participatory identification and community priorities, although the extent of participation and social accountability varies considerably. In addition, some municipalities have started to disclose their budgets to the public—a key enabling condition for citizen monitoring of public spending.

2.2 Social Accountability Through Networks and Partnerships

During his April 2011 address at the Petersen Institute for International Economics, World Bank President Zoellick stated that the Bank will support civil society organizations working on transparency and social accountability. The Bank will initiate various activities to support this, including dialogue with governments on revising or introducing good practice policies and laws that affect civil society participation in development, such as those on freedom of association and access to information, as well as capacity building of CSOs working on social accountability and transparency.

A key element of this engagement is the support to the regional Affiliated Network for Social Accountability (ANSA) – Arab World. In June 2011, the Board approved a grant to fund this network to carry out transparency and social accountability initiatives in the Arab world. Interactions across different stakeholder groups have been traditionally limited in the MNA Region, which has contributed to a lack of trust. In bringing different groups together toward a common objective, the initiative can help to break down barriers and facilitate spaces for dialogue. The World Bank, as a global and regional convener of development stakeholders and connector of practitioner groups to knowledge and other resources, is in a unique position to support this kind of multi-stakeholder, broad-based approach, working in partnership with other institutions.

A cornerstone of the initiative will be South–South learning and exchange about experiences in Sub-Saharan Africa, South Asia, and East Asia Pacific, where the Bank piloted a network approach. With three years of seed funding by the Development Grant Facility (DGF) to CARE Egypt as the implementing agency, the initiative will raise awareness of the concepts of transparency and social accountability.

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accountability; build the capacity of CSOs, government officials, media, and the private sector; foster networking and peer learning in practitioner networks; and establish a Regional Grants Facility to support transparency and social accountability projects in the region. ANSA–Arab World will rely on active relationships with global and regional partners and donors to ensure its sustainability and effectiveness.

3. International Experience: Lessons Learned from Countries in transition

Case Study: TURKEY

Historical Context

The democratic transition in Turkey first stated with the fundamental reforms introduced by Ataturk that created “modern Turkey” after 1923—including the active and passive voting rights; the establishment or overhaul of the parliamentary and legal-judicial system; path-breaking name, language/script, and educational reforms; and systematic reforms to increase the status of women in society. The single-party era ended in 1945, and Turkey held its first free and multi-party election in 1950. Multi-party democracy was initially marked by the sharp, sometimes violent antagonism between political parties and popular unrest. Three periods of military rule interrupted democratic rule, most recently in 1980-83. Multi-party election results have always been considered legitimate.

Turkey’s economic transformation started with the liberalization program of the ANAP (Anavatan Partisi or “Motherland Party”) in the early 1980s. The reforms helped open the economy and stimulate growth. However, Turkey continued suffering from economic crises and boom-bust cycles throughout the 1980s and 1990s, reflecting weak and non-transparent budgeting, large quasi-fiscal deficits, and opaque financial markets.

Since the late 1960s, Islamic movements have been an integral part of the Turkish political system, and there have been, at times, significant tensions between Islamic social movements and political parties and the military. Notably, Islamic political movements in Turkey have stayed within the country’s secular legal framework and government strategies.

A significant shift in the Turkish political landscape in the last decade has been the reduced influence of the military over Turkish politics. The military’s political power has declined since 2002, including through legal reforms that asserted civilian control of state institutions.

Turkey’s governing AKP (Justice and Development Party) has advanced the political and economic transition since coming to power in 2002. Its political success, winning three times in a row with a higher percentage of votes each time, is unprecedented in Turkey’s recent history. The role of political

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5 Sources include European Commission Progress Reports, Economist Intelligence Unit, several Turkish and international news agencies (Reuters, Turkish Daily News, AFP), and the World Bank-Turkey country office website.
leadership in Turkey’s transformation during the past decade may carry important lessons for the MNA countries in transition.

**Turkey’s impressive economic performance and improvements in services, especially for the poor, have been key factors behind the AKP’s electoral success.** Turkey has been the fastest growing economy in Europe; its per capita income almost tripled in a decade, and stands at US$12,000 in purchasing power parity terms in 2011. Turkey has seen major improvements in the access to and quality of health and education services and in the living standards of vulnerable groups, due to, for example, conditional cash transfers, free health access for the poor, and mass housing for the poor—as well as the effective control of inflation.

**The structural reforms underpinning Turkey’s economic success include the complete overhaul of the banking system, the establishment of an independent Central Bank, and a systematic strengthening of fiscal and debt management; a social security and universal health insurance reform to make pensions and health services better, more equitable, and more fiscally sustainable; and significant investment climate reform, including a new Commercial Code.**

**Legislative Reforms Related to Social Accountability**

**The government has undertaken important political reforms, some directly relevant to social accountability.** A 2010 referendum approved key constitutional reforms which:

- Restricted the authority of military courts, and allowed appeals against expulsion decisions by the Supreme Military Council to be brought before civilian courts;
- Established a constitutional base for the Ombudsman service;
- Introduced the right to collective bargaining for public servants; and
- Allowed positive discrimination measures in favor of women, children and the elderly.

**Other legislative reforms significant for social accountability include:**

- A Law on the Right to Access to Information, mandating dissemination of all administrative documents (except for national security, personal information, legal and administrative prosecutions) to citizens upon request (2004);
- An amendment of the Law on Elections to allow use of languages other than Turkish for publicity material during election campaigns (2010);
- The use of information communication technology (ICT) in the judicial system, which has accelerated judicial procedures and facilitated third party access to judicial proceedings; and
- The Law on Associations, which enables government funding for up to 50 percent of joint projects with associations, and reduces government control over association activities, raises internal auditing standards (2004).
The Role of Civil Society

The number of CSOs has increased by 41 percent in the last decade. Civil society activities are largely concentrated on a few themes, namely religious services, sports, and mutual aid societies. Women’s organizations have played a key role in the reform process by promoting the participation of citizens in economic, social and political life. A multi-stakeholder campaign for women’s rights led to a new Penal Code in 2004, with 35 amendments to protect sexual rights and eliminate all notions related to honor, morality, chastity, and decency.

Yet, CSOs are concentrated in large cities and the involvement of the general public in CSO activities tends to be low. Despite the growing number of CSOs, citizen involvement in civil society activity is fairly low. Only 10 percent of Turkey’s population is registered in an association, and only one-fifth of them are female. There are also striking regional variations in the distributions of CSOs throughout the country. Seventy-five percent of all civil society institutions are based in the three large cities Istanbul, Ankara and Izmir. Fifty-four percent of the institutions are located in the Marmara region of Turkey, while 18 percent are in Central Anatolia region. Only 9.5 percent of all CSOs are based in the East and South Eastern regions combined.

Examples of Initiatives Related to Social Accountability

Two key entry points for social accountability have been transparency and access to information initiatives and health reforms.

The government has taken a number of important steps on public financial management, including open data, e-government, and transparency of procurement and taxation policies; while health reforms focused on increasing demand and user satisfaction rates.

Box 1: Transparency and Access to Information Measures in Public Financial Management

- **Budget process.** Since 2009, the government publishes a relatively comprehensive Executive’s Budget Proposal, Pre-Budget Statement, Year-End Report and Audit Report. Turkey’s Open Budget Index score increased substantially from 2008 to 2010, rising from 57th to 43rd place.

- **Procurement.** In 2010, the Public Procurement Authority launched a call center to provide advisory services to procuring entities. It publishes Comprehensive guides on bidding rules and regulations during award of public contracts.

- **Taxation:** Automation of tax rulings has been a significant step in increasing the transparency and consistency of the Turkish tax legislation.

Sources: Open Budget Initiative Turkey report, European Commission Turkey Progress Report (2010).
Box 2: Government’s Responsiveness to Citizen Needs: Health Reforms in Turkey

In 2003, Turkey embarked on a fundamental reform of the health sector, the Health Transformation Program (HTP), to improve access to and efficiency and quality of health services. The 2008 Social Security and Universal Health Insurance reform established the legal and institutional basis for providing equal access to health insurance for all citizens.

Turkey is quickly moving towards universal health insurance. An estimated 85 percent of Turkey’s population is covered under some kind of health insurance, up from 64 percent in 2003. And the poorest households have benefited the most (coverage increased from 24 percent to 83 percent) thanks to the expansion of the non-contributory Green Card Program.

The nationwide rollout of family medicine in 2010, which was introduced in 2004, has improved access to health services, especially in disadvantaged areas, and patient satisfaction. Average patient satisfaction in family medicine provinces rose from 69 percent in 2004 to 86 percent in 2008 (75 percent in non-family provinces).

These gains in access and quality of services have translated into significant improvements in health outcomes. Maternal mortality fell from 28.5 deaths per 100,000 live births in 2005 to 16.4 deaths in 2010, already meeting the Millennium Development Goal (MDG) for maternal mortality. Infant mortality remains high, but it has declined sharply from 18.4 deaths per 1,000 live births in 2005 to 10.1 in 2010.

Sources: OECD and World Bank (2008), OECD Reviews of Health Systems Turkey, Paris, OECD.

Relevant Lessons

Important lessons can be drawn from Turkey’s transition, on the challenges and opportunities from political and economic transitions:

1. **Demonstrate firm, high level political commitment to establish an enabling legislative framework for better governance and citizen participation.** Since 2002, Turkey’s political leadership remained committed to bringing about the Constitutional changes and other legal reforms that have led to improved transparency and accountability, e.g. on access to information and freedom of association. The media and society at large continue debating the importance of a strong and free press and diverse and vibrant public opinion.

2. **Manage citizen’s expectations and build trust by setting realistic goals and disseminating plans to the public.** The government gained broad support for reform by proactively sharing government plans indicating short-term and long-term measures. Longer-term measures that required structural reforms were explained to the public from the start and the government was perceived as credible and committed to reform.

3. **Prioritize improvement of basic services (e.g. health) in response to citizen demand, and in consultation with them.** The government prioritized reducing high maternal and infant mortality rates, and undertook reforms to increase the demand of marginalized groups, including financial incentives. The government also conducts user satisfaction surveys systematically to evaluate performance of health reforms.
4. **Increase women’s participation in political and economic life.** Representation of women in the Turkish parliament is only 9 percent. Female workforce participation rates have also been declining in the last decade, which currently stand at 25 percent. Recognizing this remaining challenge, the government has vowed to implement some key initiatives as outlined in “The National Action Plan Gender Equality”. The women’s groups remain very active in the country to keep women’s participation issues as part of part of the government’s reform agenda.

**Case Study: PHILIPPINES**

**Historical Context**

Popular movements for greater social accountability have been at the center of the political history of the Philippines. Having achieved independence in 1946, the Philippines—a middle-income country with GDP per capita of over US$2000 and population of 88.6 million (2007 Census)—chose a representative democratic and presidential system of government modeled on that of the United States. For much of its early two decades of nationhood, its political landscape also mirrored that of the US, with two dominant political parties taking turns at leadership. This changed in September 1972, when President Ferdinand Marcos imposed martial law, and in the following 13 years ruled by decree, suppressing democratic institutions and civil liberties.

In 1986, the Philippines witnessed its first “people power” or “EDSA” revolution that toppled the Marcos regime. Roughly twenty-five years ago, a similar scene to Egypt’s recent mass demonstrations unfolded in the streets of Manila. With the assassination of opposition leader Senator Benigno (Ninoy) Aquino in 1983, resentment with the Marcos regime grew and eventually led to stronger civil disobedience. With pressure from within and outside the country, President Marcos was forced to call for Ninoy Aquino, ran for President and amid widespread reports of anomalies and declaration of Marcos by the government-controlled Commission on Elections, as the winner, a citizens’ election monitoring group, called the National Movement for Free Elections, declared Aquino, as the rightful winner of the election. The final push came when thousands of people converged on a major highway, called, EDSA, to protect the military who withdrew their support from Marcos. After 3 days of massive but peaceful protests on EDSA, Marcos left the country with his family for Hawaii.

“The post-Marcos period oversaw the promulgation of a new constitution, which limited the powers of the presidency and established a bicameral legislature. Cory Aquino’s administration, although weakened by several attempted coups, managed to give strong emphasis and concern for civil liberties and human rights, as well as peace talks with communist insurgents and Muslim secessionists. Aquino’s economic policies, as well as those of President Fidel Ramos who succeeded her, centered on bringing back economic health and confidence and focused on creating a market-oriented and socially-responsible economy.

Corruption and governance problems have, however, continued to plague Filipino politics. In late 2000, a second ‘people power’ revolution took place against the then President Joseph Estrada and the
mounting allegations of corruption and cronyism in the administration. Forced to abandon office, President Estrada’s exit led to Gloria Macapagal Arroyo becoming president for nine years, whose administration likewise faced accusations of corruption. Following the death of Cory Aquino in 2009, Senator Benigno Aquino answered public clamor for him to seek the presidency in 2010, and campaigned on the core message, “If there is no corruption, there is no poverty,” (“Kung Walang Corrupt Walang Mahirap”). Since his assumption of office in June 2010, he has moved progressively on an agenda of transparency and accountability, civil society participation and anti-corruption.

**Legislative Reforms Related to Social Accountability**

Key legislations have been introduced in Philippines following the Marcos era to create an enabling environment for civic engagement and reverse the restrictions of the martial law:

- The Philippines ratified the *International Covenant on Civil and Political Rights* in 1986.

- Article III, Section 7 of the 1987 Constitution’s Bill of Rights recognizes the people's right to information on matters of public concern. (A stand-alone Freedom of Information Bill was prepared in 2010, but it failed to be approved).

- The 1987 Filipino Constitution also explicitly recognized the non-profit sector as the extension of “people’s power” and enshrined their right to participate on all levels of decisionmaking. The *Cooperative Code of the Philippines* (amended recently in 2008) provides the legal basis for Cooperatives.

- The 1987 Constitution further established the *Office of the Ombudsman* to receive complaints against any branch of the government from citizens and organizations.

- In 1991, the Philippines *Local Government Code* introduced a new framework for decentralization and local governance at the sub-national level that included significant provisions for participatory planning and citizen participation in decisionmaking.

- Most recently, since the current administration took office in 2010, there have been significant legal and administrative steps taken by the Government towards proactive disclosure of some government information to the public and seeking public feedback as ways to improve its performance and accountability and better respond to public needs and demands.

**Role of Civil Society**

A vibrant civil society is one of the Philippines’ most well-known governance ‘endowments’. The Philippines has the largest number of civil society organizations (CSOs) per capita in Asia. Estimates of the number of civil society groups in the Philippines range up to 500,000 although only a fraction of this figure are registered as formal non-government organizations (NGOs) or ‘peoples’ organizations (POs), which are the equivalent of community based organizations. The number of “development-oriented” NGOs is put at somewhere between 3,000 and 5,000 (ADB 2007).
Given the prominence of civil society during the people power movements, CSOs in Philippines are in the limelight on a range of political, social and economic development issues. They have managed to increase their effectiveness through networking and coalition building. CSO activism has not only kept problems of governance and corruption high in public awareness but has also contributed constructively to strengthening some of the Government’s own reform initiatives. This has resulted in some of the best-publicized successes in curbing corruption and increasing government accountability such as the mobilization of the Boy Scouts in monitoring delivery of textbooks (see box 4 below). CSOs are also active in partnering with reform-minded local government units (LGUs), providing training to LGU officials and serving as a zealous watchdog of public affairs in specific regions or localities (WB 2010).

The conducive environment for CSO activity in the Philippines has resulted in it becoming the headquarters for a number of regional and international CSO networks. These include the Affiliated Network for Social Accountability East Asia Pacific (ANSA-EAP), supported by the World Bank, the Asia Pacific Alliance for Reproductive Health, the Clean Air Initiative for Asian Cities, and the South East Asian Committee for Advocacy. ANSA-EAP has flagship social accountability initiatives that harness information and communication technologies (ICTs), including ‘Checkmyschool.org’ which enables ordinary citizens to monitor the performance of schools.

Examples of Initiatives Related to Social Accountability

While the Philippines has been home to a number of notable social accountability initiatives and civil society-government partnerships, two often-cited examples are those of the passage of the 2003 Procurement Law (Box 3) and the ‘Textbook Count’ initiative of the Department of Education (Box 4).

**Box 3: Building a Coalition of Reform on Public Procurement**

- The 2003 Procurement Reform Law is widely considered as a landmark legislation which unified procurement-related provisions hitherto covered under various uncoordinated legal instruments.
- It includes provisions intended to increase transparency in government procurement processes, using both CSO oversight and increased disclosure through the electronic procurement system (PhilGEPS).
- The process of getting this reform through, however, was a long-drawn effort that required the building of a coalition of reform including government, technocrats, civil society and the media.
- An NGO called ‘Procurement Watch Inc.’ (PWI) was active in public procurement monitoring and in the analysis of issues in the government’s procurement system (through its partnership with the Department of Budget and Management).
- PWI quickly established links with academia, youth groups, local governments, Church groups, and the private sector, and joined networks of NGOs to muster support for the bill.
- This partnership government and civil society partnership through PWI coupled with a strong media campaign helped push through the new Procurement Law in 2003. PWI now works with other CSOs to monitor and track its enforcement.

*Source: WB CAS 2010; and Campos and Sequia 2006.*
**Supporting Social Accountability in the Middle East & North Africa**

**Box 4: Partnering with Civil Society to Track Textbooks**

- In an effort to ensure transparency, accountability and efficiency in the procurement and delivery of textbooks, the Department of Education (DepEd) organized ‘Textbook Count’ as a program involving CSOs in the complete procurement cycle for textbooks from bid opening to final deliveries.
- CSOs such as the Government Watch or G-Watch, National Citizen’s Movement for Free Elections (NAMFREL), Parents-Teachers-Community Associations (PTCA), and Boy Scouts were involved in the actual delivery, inspection, and acceptance of textbooks.
- Joint monitoring of school buildings have also been undertaken with the Department of Education, Department of Public Works, development partners, and CSOs.
- The progress in complying with the more transparent, competitive requirements of the new Procurement law has been recognized in benchmarking exercises, corruption perception surveys and in reviews by development agencies.
- In DepEd, improvement in the textbook: pupil ratio to 1:1.2 in core subjects, improvement in physical quality, and significant cost savings (over 50 percent reduction) were realized.


**Relevant Lessons**

The Philippines offers important lessons on the challenges and opportunities of managing political and economic transitions:

**Develop coalitions of reform around key issues.** A key lesson relevant for the MNA region, from the Procurement case above, is to ensure that a ‘coalition of reform’, involving key actors both inside and outside government, is created whenever there is a challenging policy issue/problem to address. In order to achieve stability, establishing the process of consensus building can prevent old authorities from coming back to power.

**Democratic practice does not exist in law and legislation; it must take root in the citizenry.** From Marcos to Arroyo, civil society was able to transform its organized action from that of bringing down government to that of building up government.

**Establish partnership with CSOs in service delivery,** as the textbook tracking and other examples from Philippines show, CSOs can be powerful allies to government when partnerships aimed at constructive engagement are forged with them. This is most commonly done in the area of service delivery, where CSOs can not only be partners in implementation, but also monitoring and awareness building.

**Combat corruption earnestly.** The Filipino experience also shows that without tackling systemic governance issues such as corruption, political instability and popular unrest can quickly re-surface, as happened in the second ‘people power’ revolution. Philippines ranks 134th in Transparency International’s Corruption Perception Index for 2010, and still exhibits weaknesses in capacity, governance, and accountability in terms of public financial management and service delivery. It is not surprising therefore, that President Noy Aquino’s government has put governance and anti-corruption as the core platform for its administration.
Effective, efficient and responsive delivery of basic social services through government can help to rebuild and restore stability in a country in political transition. If a culture of poverty prevails, democratic politics is challenging to sustain and patron-client relationships are likely to propagate.

Case Study: INDONESIA

Historical Context

Indonesia, a diverse, middle income country, is the largest economy in Southeast Asia. With a per capita GDP of over US$3,039 in 2010 and a population of over 232 million people speaking over 300 local dialects, Indonesia comprises over 17,000 islands. Indonesia is the world’s fourth most populous state, the third largest democracy, and has the largest Muslim population in the world. Indonesia is a republic, with an elected legislature and president.

For over three decades (1966-1998), Indonesia’s government under President Suharto was highly centralized and authoritarian. Politics was controlled by the ruling Golkar party with two notional opposition parties formally allowed. Civil society and media activities were severely limited.

The economic crisis of 1997/98 highlighted institutional weaknesses of the political structure culminating in the downfall of President Suharto in May 1998. The change in leadership began the period of transition known as Reformasi (or “Reformation”), ushering in a more open political and social environment. Power was transferred from Suharto to his vice-president B.J. Habibie. Under him, multi-party elections were held in 1999—the first democratic election since 1955. The media were permitted a much freer hand, and CSOs were allowed to form and initiate social services, advocacy, and political activities. Peaceful general elections in 2004 and 2009 brought President Susilo Bambang Yudhoyono to power.

Legislative Reforms Related to Social Accountability

Indonesia’s transition has witnessed important political and economic reforms towards more responsive and accountable government, pushing decision-making and service delivery downwards. One of the main achievements of the Reformasi period was the adoption and initial implementation of the “Big Bang” decentralization reforms—to bring services closer to the people and to include citizens in the open and democratic process of self-governance. In 1999, two ground-breaking decentralization laws were passed transferring the bulk of basic service delivery to 300+ districts (largely bypassing provincial governments), giving them significant block grants, and allowing natural resource revenue sharing. Subnational governments are today responsible for around one third of all public expenditures in Indonesia.

Nevertheless, some inconsistencies and “gray areas” still exist in the decentralization, with relationships among power holders, service providers and citizens not always transparent. Especially worrisome is the lagging quality of services delivery at the local government level, mainly due to a lack of responsiveness and accountability by frontline agencies and technical agencies. Corruption also remains a concern, now decentralized to the local level. The reasons for the lack of performance are mainly at the supply side. The efficiency of local government spending is constrained by perverse
incentives from the national level, limited discretionary funds for service delivery, and an over-engineered system.

**The Role of Civil Society Organizations**

**Indonesia has a rich tradition of community and civil society groups.** However, these groups were excluded from the political decision-making process or co-opted by the government during three decades of authoritarian rule. The *Reformasi* era has seen enormous social change and entrepreneurship by civil society. Most groups focus on delivering services or organizing communities, but some have found a new role in democratic decentralization through applied research, policy formation, and advocacy. In order to address the low quality of public services some provincial and local level CSOs have begun to assume roles in planning, budgeting, and monitoring of local governments services, e.g. participatory planning to influence development plans, lobbying the legislature on budget allocations, scrutinizing budgets for possible misallocation or fraud, and disseminating the findings through the media. Nevertheless, the effectiveness of CSOs in accountability work has often been limited to “extracting benefits” in the form of increased budget allocations, rather than hold government responsible for ensuring that it provides public services consistently and well.

**Examples of Initiatives Related to Social Accountability**

**CSOs are monitoring local governments, and ensuring that performance and corruption issues remain in the media and public spotlight.** In a growing number of cities local organizations have secured dialogues with local governments on legislation and development programs. Competitive mayoral elections have produced a new generation of local government leaders, often collaborating with civil society to promote social change. Within the first year in office the Bandung district head in West Java began to hold weekly public dialogues with constituents. The city council in Pontianak, West Kalimantan passed a law establishing a benchmark for the number of hours that service providers need to devote to direct service delivery in a day. In Sidoarjo, East Java, the new government reduced the number of bureaus from 25 to 21, eliminated 15 sub-bureaus, and concentrated all licensing functions in a single bureau. The government has begun to approach Islamic NGOs for monitoring of national education projects.
Box 5: Poverty Alleviation through Community Empowerment

- The US$2.8 billion, IBRD-financed National Program for Community Empowerment (PNPM) builds on thirteen years of successful collaboration between the World Bank and the Government on CDD projects. PNPM (and its predecessors) has since 1998 provided an important contribution to democratic and development shifts at the community level, providing block grants to communities to encourage the participation of citizens to identify development priorities and to allocate these resources equitably.

- One of the most significant physical outcomes of PNPM has been a major increase in small-scale village infrastructure. PNPM have helped to build or rehabilitate over 71,000 kilometers of roads, 20,000 clean water systems, 16,000 irrigation systems, and 15,000 schools. Economic rates of return on sample infrastructure sub-projects have ranged from 39 to 68 percent. PNPM evaluations show that per capita consumption gains among poor households were 11 percent higher, and the proportion of households moving out of poverty was 9.2 percent higher in project areas than in matched control locations.

- While the physical infrastructure has been important, of equal significance is the change the program has brought in decision-making and management at the local level. The program advocates for inclusion of women and marginalized groups in development processes and actively promotes transparency and accountability.

- Nevertheless, although demand side governance function well within PNPM, institutions at the district and village level have not yet adopted the core principles of transparency, governance, and participation that have proven to be critical to PNPM’s impact.


Relevant Lessons

As with Turkey and the Philippines, important lessons can be drawn from Indonesia’s transitions:

- **Engaging with a broader range of stakeholders during transitions increases the legitimacy of the new government and increases sustainability of reforms.** Indonesia’s new government, like other countries that experienced transitions, lacked legitimacy to implement long-term reforms. The government reached out to CSOs, academics, think-tanks, religious groups and student groups, broadening stakeholder engagement in the reform processes. An important lesson is that open, participatory, inclusive and accountable political system can foster needed national consensus and public ownership and support of key national reforms, and development goals.

- **Focus on local governance and bottom-up processes** - Decentralization is an important step in promoting more local democracy. However, the increased powers provided to local governments do not always improve service delivery. Unchecked by the need to explain themselves, local politicians and government officials can easily abuse their roles. The learning process to ensure that local governments are fully responsive and accountable to beneficiaries is often long and is also a risk.

- **CSOs can mediate between the state and citizens** - While the country goes through its learning curve, it is critical to have mechanisms of community participation, social accountability and direct transfer of funds to communities that can mitigate the consequences of not yet fully operational mechanisms. CDD projects are well placed to test how the demand communities generate can be mobilized to create stronger incentives and accountability for more pro-poor outcomes.
4. **Summary of Lessons Learned—The Importance of Social Accountability**

Preliminary lessons are emerging from the social accountability practices being implemented in the MNA region. Understanding the socio-economic, institutional, and political context—including power dynamics—are necessary in order to determine the correct entry point for social accountability mechanisms, which also means that although enhancing citizens’ engagement in development and governance processes has emerged as a common priority throughout the region, there will be no one-size-fits-all. Improving local service delivery is often an effective entry point, however capacity building of both local governments and citizens is necessary to improve both social accountability and local service delivery especially during the initial stages.

The experience of implementing social accountability in the Arab World to date points to its value in improving transparency in and improving service delivery across sectors, and in giving voice to citizens as users, but more importantly as drivers of political and social change. The heightened interest in democratic governance shown in the Arab Spring augurs well for citizen participation to improve delivery of services, and other key areas of governance such as policy making and management of public finance. Citizen feedback mechanisms, as in the case of the Tunisia health sector, disseminating information about services, as in the Yemen water sector, or engaging citizens in prioritizing their needs, as in West Bank and Gaza, **show that social accountability has real potential to transform the way government services are provided MNA.**

Some key lessons learned from democratic transitions in the Philippines, Indonesia and Turkey, which have experienced transitions much like those now gripping the Middle East, are summarized below:

- **Active citizen participation in public affairs requires an enabling environment**: Appropriate policies and legislation to promote freedom of expression, free and independent elections, and freedom of association provide important guarantees to citizens, and need to be prioritized as part of the process of transition.

- **Government outreach to civil society is critical to building confidence and trust**: In post-revolutionary environments of raised expectations, new government can seize opportunity to engage citizens and stakeholders from all segments of society at every level of decision-making: civil-society organizations, local communities, representatives of the poor and vulnerable, religious groups and women groups. This should be supported by mechanisms for genuine dialogue.

- **Supply- and demand-side approaches should and can work in a complementary way. Neither of these approaches alone can fully achieve the intended outcome of government becoming downwardly accountable to citizens and communities.**

- **Reform is a long-term process, based on the credibility of effectiveness of formal and informal institutions.** The strong vested interests that thrived under an autocratic regime do not simply disappear with the change in politics. These interests can even entrench themselves in a new democratic structure. Supporting a strong civil society and an independent press, building
better institutions, from government bureaucracies to judiciary to the political system itself can take many years to bear fruit. Institutional strengthening and capacity development thus need to be part of the reform efforts from the outset.

- **It is important to invest in improving service delivery through partnership with civil society and citizens.** Public participation spearheaded by CSOs can lead to concrete shifts in the way services are provided. As the textbook and other examples from the Philippines show, CSOs can be powerful allies to government when partnerships aimed at constructive engagement are forged. This is most commonly done in the area of service delivery.

- **Bottom-up processes through decentralization reforms and community driven development enable citizen participation and empowerment and improvement of services.** As transitions take time, the new government can focus on a few quick visible wins by implementing programs that yield quick results, such as community-driven development programs, as was effectively done in Indonesia. Moreover, bottom-up approaches in Indonesia’s transition helped citizens articulate their needs, local institutions to be strengthened, and citizens’ trust in government to be established. The Kecamatan Development Program was designed with strong participation of local citizens, and incorporated several anti-corruption elements from the outset, including independent monitoring by journalists and CSOs, and grievance redress mechanisms.

- **Proactive disclosure by government of information about its plans during transitions helps manage expectations of citizens.** During transitions, governments are challenged to respond to multiple demands at the same time. Part of Turkey’s success in managing transitions was to publicly disseminate realistic plans and expected time tables for achieving milestones, an approach that resulted in broad based support for the ruling party from informed and engaged citizens with more realistic expectations.

- **Engaging with a broader range of stakeholders during transitions increases the legitimacy of the new government and increases sustainability of reforms.** The example of Indonesia demonstrates that when a new government in political transition engages broad and diverse constituencies on its reform priorities, it can generate much needed national consensus and political support, especially when potentially painful policy choices are at stake.

- **Effective, efficient and responsive delivery of basic social services through government can help rebuild and restore stability in the country.** If a culture of poverty prevails, democratic politics is challenging to sustain and patron-client relationships are likely to propagate.
5. Annex - Keynote Speeches of the Conference

“Towards a new social contract in the Arab World: Global lessons in Citizen Voice and Accountability”

International Lessons on Transitions

Washington, September 22, 2011
Introduction

Indonesia has come a long way since the crisis period of 1998 when the Asian financial crisis bankrupted the Indonesian economy and triggered mass demonstrations and riots, leading to the resignation of President Suharto. The forced resignation of President Suharto and the precipitate collapse of the New Order after 32 years of authoritarian rule, accompanied by a severe economic crisis, brought about a OK period of political instability and social disorder, unleashed communal conflicts, heightened regional tensions and emboldened separatist movements. Some observers feared that the Republic of Indonesia with its highly heterogeneous population living in a far-flung archipelago would disintegrate into many separate parts, one of which would possibly be a xenophobic Islamist entity, living at odds with each other and posing as security threats to the surrounding region.

Yet 13 years later Indonesia presents a very different picture to the world. Although it still has many difficult challenges to overcome Jakarta can take pride in several major achievements:

Indonesia has gone some way in consolidating its democracy and is now recognized as the world third largest democracy, with regular fully open and competitive elections at all level, including direct presidential elections within a highly complex multi-party system;

Indonesia is now considered a fully free country by Freedom House, currently the only one in South East Asia, with a free press, vibrant civil society, and politically active and engaged public;

Indonesia’s national unity and territorial integrity have been strengthened through decentralization and peaceful resolution of conflicts;

Indonesia’s economy has recovered from the Asian financial crisis. In fact, it has been able to escape from the global crisis of 2008 and continues to enjoy a positive growth during the current period of downturn in Europe and the U.S.

While political Islam may be on the rise, and notwithstanding challenges from radical groups, Indonesia has been able to preserve its basically moderate Muslim credential, ensure religious pluralism, tolerance and an open society where the rights and role of women are both respected and promoted;

Indonesia has been able to play increasingly active regional and international roles, including a leading role in ASEAN and being the only South East Asian member in the G 20.

Indonesia’s Democratic Transition: Lessons from the collapse of the New Order government

The development of democracy is not inevitable in Indonesia. In fact, liberal, pluralistic democracy was for many decades considered unsuitable for Indonesia, for various reasons. Indonesia experimented with parliamentary democracy immediately after independence in the 1950s, but the experiment soon failed in the midst of a lack of national consensus among the political elites which led to deep social and political divisions as well as exacerbating regional differences culminating in open regional rebellions. This
unhappy experience brought disrepute to democracy and for the next four decades Indonesia fell under authoritarian rule, first under the charismatic President Sukarno, and after Sukarno’s fall in 1966 for his alleged involvement in a failed communist plot against the army, Indonesia came under General Suharto’s New Order government.

Indonesia under Suharto practiced what scholars’ term as bureaucratic politics, dominated by the Executive branch of government controlled by the military and the bureaucracy. On paper Indonesia was a democracy, but both the Legislative and Judiciary branches of government were totally controlled by the Executive. Elections were held regularly, but the process was neither free nor fair, and was primarily carried out to provide pro-forma legitimacy for the government. The People’s Consultative Assembly (MPR), the highest state organ according to the original 1945 Constitution, elected Suharto as president for seven consecutive 5-year terms without any opposition. Political parties and civil society organizations, while allowed to exist, were tightly controlled by the State. The restrictions on political and civil liberties were justified as the best means to ensure national unity and political stability so that the government could concentrate all its energy and resources on economic development.

For three decades this bureaucratic political practice which lacked transparency and accountability managed to deliver impressive economic growth to Indonesia and bring down poverty. From being a least-developed country Indonesia became one of the 10 economic miracles in East Asia before the onset of the Asian financial crisis.

Indonesia’s combination of political authoritarianism and economic liberalization was not unique, as this type of governance was also practiced by several neighboring countries with similarly impressive economic performances. This was why efforts at democratization in East Asia, including in Indonesia, faced an uphill struggle for many years, as it had to confront the so-called Asian Values school of thought which among others argued that Asian societies need more discipline than freedom. There were criticisms against the government and frequent calls for reform, but these were ruthlessly dealt with. On the whole, however, the people were generally resigned to accept the trade off which privileged social-economic rights over civil-political rights until the emergence of a more conducive environment.

South Korea and Taiwan were formerly regarded as models of state-led development. Both countries succeeded in transitioning from authoritarianism to healthy democracy after achieving industrialized countries-status which supports large middle-classes with relatively high incomes, well above USD 6000. Based on the experience of these two countries many observers in early 1990s argued that it would take Indonesia probably another 50 years of sustained economic growth to produce a sufficiently large middle class which would fight for a more participatory, transparent, and accountable political system.

Yet the Asian financial crisis of 1997-1998 forced President Suharto to resign in 1998 and precipitated the collapse of Indonesia’s New Order government. Instead of being able to carry out an orderly and phased out transition to democracy under a healthy economic condition and with the support of a strong middle class, Indonesia had to rush headlong towards democratic transition amidst multi-dimensional crises as a strategy for national and state survival.

Suharto’s New Order government had built its power and legitimacy through its ability to ensure high economic growth and distribute development benefits. The Asian financial crisis destroyed several years of economic achievements and caused massive unemployment and wide-spread economic hardships.
leading to social unrests. Thus, by losing its sole base of political legitimacy, the New Order lost its credibility and ability to maintain political order and stability. Indonesia’s financial crisis rapidly led to horizontal and political conflicts in many parts of the country, leading many observers to fear that the world’s largest archipelago with over 700 ethnic groups and 5 major religions would break up into several parts.

Restoring the credibility and authority of state institutions became an overriding need to save Indonesia from prolonged chaos and possible disintegration, as well as to revive the economy. Equally important was the urgent need to develop a political system that will be able to withstand internal and external shocks, a political system that has a built-in mechanism for self-correction and constant renewal. While mindful of the failure of the democratic experiment in the 1950s, most Indonesians came to the conclusion that an open, participatory, inclusive and accountable political system, in short democracy, was the best way forward to generate a sense of public ownership towards the State. After decades of denying the merits of democracy even former officials of the New Order government agreed that to prevent the periodic and often violent collapse of state power and regimes, the state must be supported by multiple bases of legitimacy, including its political and governance system. Reformasi or reform became the common battle cry for everyone involved in the major changes taking place in Indonesia since the fall of Suharto.

**Indonesia’s Reform Processes**

The immediate post-Suharto period in Indonesia was marked by political fragmentation, bringing back to the surface the social-political cleavages of the 1950s that had been suppressed by four decades of authoritarian rule. However, most political leaders and CSO activists agreed that they would not repeat the mistakes made in 1950s when there was no national consensus on the fundamental issues such as the national ideology, the place of religion in the state and the form of the state. While there were loud calls for radical and fundamental reforms from many quarters, there was a consensus among the principal actors not to touch the core elements contained in the Preamble of the 1945 Constitution even if the whole body of the Constitution were to be amended. Indonesia would remain a Unitary Republic based on Pancasila, a pluralistic ideology which respects religious differences, not an Islamic state that some groups had long espoused. There was also a consensus on maintaining the presidential form of government. Here I would like to touch briefly on the points raised by the organizer about the transitional process in Indonesia.

**Roles and interaction between actors in the early transitional period (1998-1999)**

**Government:** President Suharto resigned after large-scale student demonstrations and was succeeded by Vice President B.J. Habibie as stipulated by the 1945 Constitution. As the protégé of Suharto President Habibie was deeply unpopular and throughout his short presidency faced continuing demonstrations and protests. While there were calls for Habibie to step down immediately and hand over power to a “people’s committee”, most groups agreed to allow Habibie to assume the presidency in accordance with the Constitution, provided that he carried out the necessary reform. Despite their differences most of the political forces and the general public supported an orderly reform based on a constitutional process through an accelerated evolution, rather than extra-constitutional revolutionary means for fear of creating continuing precedence.
The drive for reform, however, did not only come from outside the government. President Habibie himself turned out to be an enthusiastic reformer and within a very short time he introduced a number of measures which marked a clear departure from the past, such as releasing all political prisoners, revoking government control of the media, removing restrictions on the freedom of expression and associations as well as revoking restriction on the establishment and role of political parties. President Habibie also supported bringing forward the general election from 2002 to 1999 so that a new parliament and a government with fresh legitimacy and wider political support could be formed within the shortest possible time, while still giving sufficient time for new political parties to establish themselves and contest the election.

The Habibie government comprised old and new elements. Besides retaining some former officials from the New Order establishment from the military and bureaucracy, the Habibie cabinet also included new faces from the academia, political activists and CSO leaders who were willing to be part of the government. The transitional government also established several task forces comprising various elements from state institutions and society, such as academics, CSO activists, business representatives, professionals, religious leaders and other opinion makers to draft wide-ranging reform agenda so that the reform process would be seen as inclusive and participatory in nature, even before a new democratic election was held.

The transitional government was able to introduce major reform measures, around 200 new laws and regulation, within its 17 months in office because of the cooperative support of two important pillars of the New Order government, namely the military and the ruling Golkar party. The military, which had been the dominant political power under Suharto and consequently became the target of criticisms, was anxious to regain its formerly high standing as freedom fighters against colonialism. The military supported the transition from Suharto to Habibie, and accepted the phasing out of its social-political role without noticeable resistance.

Parliament and People’s Consultative Assembly. Under the New Order Parliament (DPR) mostly acted as a rubber stamp for the Executive, while the People’s Consultative Assembly (MPR), comprising the DPR, unelected regional representatives and functional representatives was the highest institution of the state which had the power to amend the constitution, elect the president and vice president and set the date for general elections. The composition of the DPR and MPR during the early transition period, prior to the free and fair election of 1999, was the result of the less-than-democratic election of 1997, dominated by the government-backed Golkar representatives and military officials who were given large number of reserved seats. It was a blessing in disguise that because of the nature of the DPR and MPR during the early transition period that the government was fully supported by the legislative branch to pass the new laws relatively quickly which set the stage for Indonesia’s transition to democracy. Both Golkar, which many critics called to be disbanded, and the military representatives in Parliament and the MPR were anxious to project themselves as reformers and regain public support. It is ironic that after 1999 and the return of multi-party politics through truly free and fair elections in which no single party has been able to win a single majority, the ability of the DPR to pass new laws quickly has considerably diminished, which to a certain extent has slowed down Indonesia’s subsequent reform process.

Religious organizations have played important roles in Indonesia’s modern history. The two largest Islamic organizations, Nahdlatul Ulama (NU) and Muhammadiyah, established in the early twentieth
century had played an active part in the nationalist struggle for independence and in promoting the social and economic welfare of their followers. NU, associated with traditionalist Islam, claims a membership of 40 million people, while the modernist Muhammadiyah claims to have around 30 million followers. With their large mass bases, both NU and Muhammadiyah wielded and continue to wield considerable political influence, though they are not directly involved in politics. During the latter day of the New Order, Abdurrahman Wahid and Amien Rais, the chairman of NU and Muhammadiyah respectively became outspoken critics of the Suharto regime, especially the rampant abuses of human rights and the collusion, corruption and nepotism (KKN) of the ruling elite. Both personalities, together with Megawati Sukarnoputri, the daughter of Sukarno who was overthrown from the leadership of the opposition Indonesian Democratic Party (PDI) by government intervention, became the most prominent leaders of Reformasi. Both Abdurrahman Wahid and Amien Rais established and chaired new political parties in time for the 1999 election and in 1999 Amien Rais became the chairman of MPR which elected Abdurrahman Wahid as President and Megawati as Vice President. Direct presidential election only started in 1999 after the newly elected DPR and MPR began a series of constitutional amendments.

While critical of Habibie both NU and Muhammadiyah and their highly influential leaders were willing to cooperate with the transitional government to speed up the reform process. For his part President Habibie also actively sought the opinions and collaboration of various religious organizations, not just the large Islamic ones, but also non-Islamic religious organizations, in an attempt to broaden his political base and ensure their support for the government-led reform. Indonesia, the world largest Muslim majority nation, has been fortunate that the majority of the people hold moderate views that support religious tolerance, while the main religious organizations also actively promote democracy and good governance.

University students in Indonesia have a proud tradition of political activism, starting from the nationalist struggle for independence in the early twentieth century and continuing throughout the different periods. Student activism usually became prominent in time of crisis. Student demonstrations helped to bring down Sukarno’s increasingly erratic authoritarian rule in 1966, and forced Suharto to resign in 1998. While student organizations do not always have clearly defined agenda beyond oppositions against certain bad practices and calls for general reform, they are potent pressure groups which can be galvanized at a moment’s notice. While united in their opposition against Suharto, during the Habibie transition period the students were also divided in their attitudes towards the government, some fiercely against while others willing to allow Habibie to finish his shortened term in office.

A great number of Civil Society Organisations (CSOs) already existed under Suharto, though their activities were severely restricted. With the lifting of all the restrictive regulations immediately after Habibie assumed the presidency, CSOs proliferated and played important roles in many different areas. During the transition period some CSOs were engaged in political advocacy, while others were able to fill the vacuum in providing community services as the ability of the government became severely weakened. CSOs became important conduits for international assistance, especially from international NGOs. The transitional government also actively solicited the advice and participation of key CSO leaders, although some held aloof.

Academics from renowned universities, research institutions and think tanks played a critical role in articulating and defining the reform agenda as well as in helping policy-makers to draft policy papers and bills. Both the Executive and Legislative branches of government during the transition period relied
heavily on the expertise provided by the scholars and analysts. The increasingly complex socio-political environment since Indonesia’s transition to democracy has led to the growing number of think-tanks actively engaged in providing policy inputs, whether solicited by the government or not.

The Media quickly flourished once the restrictive regulations were removed. New media outlets mushroomed, though many did not survive long due to growing competition. The media played an important role as a watchdog, in highlighting issues that needed attention as well as in providing political education to the public. Besides the increasing diversity of news and reporting, a dramatic change from the tightly controlled media of the previous era, political talk shows on TV and Radio also became highly popular. The media became and has become the most important agent for change towards greater political accountability as the post-Suharto political leaders need popular support to obtain and exercise power. Although most of the media was highly critical of Habibie, the transitional government did not waver in its commitment to ensure the freedom of the press.

**Selection of entry points for social accountability measures.**

Indonesia was able to launch its democratization process fairly quickly because discussions about the need for reform had, in fact, begun during the Suharto period. Though faced with constant government surveillance and a number of political activists were jailed, in the years prior to the Asian financial crisis there were already lively discourses about the need for political reform in Indonesia. The end of the Cold War and the ensuing democratic wave in Eastern Europe as well as the declining support of western powers for the Suharto regime had emboldened and inspired reformers. Thus, measures to end authoritarianism were already identified quite early, such as ensuring a clear separation of power between the three branches of government (Trias Politica), ending the dual function of the military and limiting the terms of the presidency. Indonesia has attracted many scholarly analyses and many studies, done by both Indonesian and foreign experts during the New Order period, already identified the laws, regulations and strategies that were used by the Suharto regime to concentrate power and limit popular participation.

The immediate policy of the Habibie government, with a lot of pressures and help from forces outside of the government, was to identify and revoke the New Order laws and regulations that restricted civil and political liberties and which allowed bureaucratic politics dominated by the military and the bureaucracy to flourish. The unhealthy collusion between political power and business which resulted in monopolies, crony capitalism and rampant corruption had long been a target of anger among critics. Regional grievances at the overt centralization and exploitation by Jakarta, leading to separatist movements in parts of Indonesia, also called for new political arrangements between Jakarta and the regions. Political liberalisation, ending KKN (corruption, collusion and nepotism) and regional autonomy were the three top reformasi agenda to promote a more participatory, inclusive and responsive government that could be held accountable. Several new laws and regulations were introduced as bases for democracy, good governance and regional autonomy.

**The enabling factors supporting transition in Indonesia**

The most important enabling factor was undoubtedly the national consensus, despite the often sharp differences between the principal actors, both within and outside the government that Indonesia needed to carry out fundamental reforms. While there were disagreements about the extent and the speed of reform there was a consensus to open up the political system in line with the already open economic system. The
existence of a thriving academic, think tank and CSO community with experience in engaging the government in formulating policies also provided the necessary intellectual inputs in identifying priorities for reform. The role of the international community, both governments and non-governmental organizations also contributed a great deal to Indonesia’s democratic transition. The Indonesian government openly invited friendly foreign governments and NGOs to assist in Indonesia’s transition process, such as by providing examples of best practices, technical experts and funds to both the Indonesian government and non-governmental entities engaged in the reform process. Indonesia was fortunate that it enjoyed the goodwill of the international community which willingly provided wide-ranging assistance, including in preparing for the immediate post-crisis general elections.

**Lessons learned from the election process immediately following the crisis**

The Habibie transition government held the general election to elect members of DPR and form the MPR that would elect a new president and vice president. As mentioned earlier the standing MPR, with the full support of the transition government, brought the election date forward from 2002 to 1999 and cut short Habibie’s remaining term as Suharto’s successor. The decision to change the election date was decided through an extraordinary session of the MPR in November 1998, which scheduled the election for June 1999. While some groups were impatient for Habibie to step down immediately, regarding his presidency as illegitimate, many others felt that the time was not sufficient to allow new political parties to be formed and contest the election, while the three older political parties especially Golkar already had well-established political parties. In the end, however, all supported the early election so that both constitutional and political legitimacy could be restored to key state institutions through a truly open, fair and competitive political recruitment process.

Indonesia’s first election after the fall of Suharto, despite the hurried preparation was generally hailed a major success. One of the important keys to success was the presence of independent election monitors, including from overseas, who ensured that the whole process was truly transparent and fair. Independent election monitors have become permanent fixtures in subsequent elections in Indonesia. Various new measures were introduced, such as establishing an independent election commission to ensure that the election process and the counting of the ballots would not be rigged, as had been the usual practice in the past when elections were totally controlled by the Executive which also banned independent election monitors. However, a useful lesson was also learned when some members of the new electoral commission, who mostly came from political parties, refused to sign the election result when their parties performed poorly in the election. In subsequent years persons who are members of political parties are banned from becoming members of the Electoral Commission.

Habibie did not run for president in 1999 after his accountability speech was rejected by the newly formed MPR, allowing for a smooth transition of power from Habibie to Abdurrahman Wahid. While the transitional government was able to introduce many new laws that paved the way for Indonesia’s democratic transition, the fundamental constitutional changes that would embed the reform measures at the highest level could only be carried out by the new MPR that had the necessary legitimacy and credibility to do so. The MPR formed after the 1999 elections in fact proceeded to carry out four constitutional amendments during its term (1999-2004), that solidified the constitutional basis for Indonesia as a democratic country that would protect and promote human rights and the rule of law.
Indonesia is now recognized as a full-fledged democracy with a free press, an active civil society and the existence of various institutions to ensure good governance and provide outlets for public control. Indonesia has a Freedom of Information act, which was passed in 2008 and came into effect in 2010. An Ombudsman has been established to ensure good public service. An anti-Trust Law was passed and a commission to ensure fair business practices has been established. A powerful Anti-Corruption Commission has been set up. Yet corruption has continued to be a major challenge for Indonesia. Democratisation and decentralization have also led to the diffusion of corruption, which is no longer the monopoly of the ruling elite in the Executive Branch. With the balance of power shifting to parliament, which fully controls the purse and decides key appointments to state institutions and independent commissions, many members of the DPR have recently been implicated in high-profile corruption cases.

The direct election of political leaders from the president down to the district heads has also spawned endemic corruption and money politics. The high cost of being elected, from “renting” political parties to get nominated to expensive campaigns and direct buying of votes from needy voters, has meant that newly elected provincial governors, district regents and city mayors often incurred massive debts. It is, therefore, not surprising that almost a third of the current regional leaders have been imprisoned or under investigation for corruption.

Bureaucracy has remained largely unreformed, still serving the need of its superiors and functionaries rather than becoming true servants of the public. Public contracts and services in many parts of the country and in many government agencies have become blatantly for sale, so that there has been a decline in certain public services compared to the previous period. The portioning of different government ministries to different leaders of political parties in President Susilo Bambang Yudhoyono’s attempt to build a broad-base political support has also led to corrupt practices as certain ministries are treated as the fiefdoms of different political parties. This has led to growing criticisms of the current political system, which if left unaddressed could undermine democratic consolidation. Improving governance and the quality of decision-making as well as ensuring that the democratic processes do not produce new excesses remain major challenges for Indonesia.

Outstanding challenges in making government more accountable to its citizens
I would like to begin by sharing some reflections on our history of struggle for democracy and development.

The Marcos Dictatorship

The seeds of civil society activism were firmly planted sometime during the 1960s, when student and youth movements began to protest against the failures of then-President Ferdinand Marcos’ government.

When these demonstrations grew stronger and discontentment spread to other sectors, Marcos tried to keep things under control by declaring Martial Law in 1972. This signalled the beginning of the darkest days in our history: opposition leaders were arrested, newspapers were shut down, and mass media were tightly controlled.

There was so much repression during Martial Law that the strongest and most independent non-government institution was the Catholic Church. Citizen organizations and the beginning of NGOs continued to work too, but they had to carefully look for ways to survive to avoid arrest.

When one of Marcos’ staunchest opponents, Senator Benigno S. Aquino, was assassinated in 1983. His death outraged the Filipino people. It galvanized the different sectors of society to form the “parliament of the streets.” Businessmen, housewives, the religious, farmers and fisherfolk, workers, students and young professionals all came together to express their disgust with Aquino’s murder.

All these culminated in the 1986 EDSA People Power Revolution, the non-violent revolution that finally forced Marcos and his family to leave the country. Through the united action of hundreds of thousands of Filipinos from all walks of life, we were finally able to regain our freedom, and win back our democracy.

The New Democracy

Coming from a very repressed, authoritarian government, the people installed Aquino’s widow, Cory, as the President of our new democracy. Her administration formally recognized the role of non-government organizations and people’s organizations as key players in national development.

The 1987 Philippine Constitution recognized the right to people’s participation, and institutionalized policies that opened up spaces for participation. Her administration also encouraged government-NGO partnerships for the delivery of basic services, and asked NGOs to sit in certain government advisory bodies and special commissions.

Since then, all other administrations that followed have generally seen the value of engaging with civil society, although at varying degrees and levels. This was the main problem with civil society’s engagement with government – it was subject to the inclinations and whims of the administration. Every
change in leadership meant a new kind of relationship, often leading to our previous efforts being reversed by the new government. At the same time, the CSOs were more honed in opposing the government. It took time and many misteps in engaging with government.

**A Second Opportunity**

A second opportunity to solidify civil society and government engagement came in 2001, after the President Joseph Estrada was ousted in what some have called as “People Power 2.” Backed by strong civil society support, Vice-president Gloria Macapagal-Arroyo took over the presidency.

It gave civil society hope when Arroyo appointed several of its leaders – including myself – into several key government positions. It put us in a unique position to engage because now we were on the in the corridors and the rooms of power. We had the President’s ear, in the beginning, which now meant we had more power to institutionalize reform work in government.

Eventually though, the old ways of Philippine politics prevailed and President Arroyo worked with traditional solutions and “transactional” politics. When my “crossover” colleagues and I finally left government, an important realization we had was that if civil society truly wanted to engage government, we would have to learn how to use political power and to mobilize political constituencies for reforms. It was not enough to know reform-agenda building and the politics of negotiation.

We established the International Center for Innovation, Transformation and Excellence in Governance (INCITEGov) so that we could institutionalize the lessons we learned while in government. We adopted the “P-G-D Framework,” which aims to connect the dots between Democratic Politics, Good Governance and Development Outcomes.

The framework sought to answer the central question: “How can Democratic Politics enhance the practice of Good Governance, which in turn is able to mobilize social efforts at a scale – and for sufficient duration – to attain Development Outcomes at a national level?” These three points – democratic politics, good governance and development outcomes – define and encapsulate the range of options and arenas in which we, as reform advocates and groups, could engage in.

**Lessons**

Having shared all of these, the point I’d like to make is that Middle Eastern and North African countries currently experiencing political and economic transitions should not reinvent the wheel. They can save themselves a lot of mistakes by learning from other countries. From the Philippine experience, I would like to share the following lessons:

1. Democratic practice does not only exist in law or legislation; it must take root in the citizenry. From Marcos to Arroyo, civil society was able to transform its organized action from that of bringing down government to that of building up government.
2. In order to achieve stability, establishing the process of consensus building is most urgent. This can prevent old authorities from coming back to power.

3. Finally, democratic politics recognizes the key role citizens have in ensuring good governance. In a restrained society where freedoms have been curtailed the culture of poverty prevails. This allows patron client relationships to grow. This can be broken when basic needs of the population, especially the poor, are met. This requires efficient, effective and responsive delivery of basic social services as the nation, through the government, rebuilds and restores stability in the country.

**Current SA Practices: Where are we now?**

From where Philippines is right now, I will have to say that current social accountability practices are happening at two stages.

The first stage is that initiatives were created in response to a corrupt-ridden government. Aware of how corruption has led to many injustices and inequalities, Philippine civil society has made it their mission to remain vigilant and become “watchdogs” against any instance – or possibility – of corruption. Their goal is to hold concerned government institutions accountable for any irregularities they might find.

Doing this kind of work today are organizations such as Social Watch-Philippines, Government Watch (G-Watch), Transparency and Accountability Network (TAN), and Coalition Against Corruption (CAC), among many others.

The second stage of social accountability comes with the realization that fighting corruption in government is harder than we thought. This second stage calls for civil society to engage in the politics of governance, and to really understand the ins and outs of governance work. It is to keep a close watch on the processes, there is needed technical skill and knowledge to more accurately understand and identify where anomalies can come in.

INCITEGov’s Philippine Budget Monitoring Project is one example of an SA practice operating at the second stage. The project trains civil society organizations on how to read, understand and properly monitor the national budget, so that they can influence the decision-making of legislators and government executives.

**Constructive Engagement**

The concept of social accountability today must be understood together with the concept of constructive engagement. This is different from the usual civil society practice of critical collaboration with government.

Constructive engagement has varying definitions and variations depending on which country you ask, but its underlying principles are:
Supporting Social Accountability in the Middle East & North Africa

- It is a range of processes;
- It produces reforms in governance;
- It involves dialogue between and among stakeholders;
- It is an exercise of power by organized citizens; and
- It makes democracy stronger.

A recent exercise in constructive engagement in the Philippines involves the current administration of President Benigno S. Aquino III, who won based on his campaign’s premise that if there is no corruption in government, there will be no poor Filipino. Embracing social accountability, his platform proclaimed judicious use of public funds to reduce poverty in the country.

The civil society sector was an integral part of President Aquino’s campaign machinery. The sector mobilized people all over the country, and in many ways this could be regarded as a new version of People Power – but this time, instead of taking to the streets, people actually used the constitutional process of elections to democratically choose its leader.

Social accountability proved an important promise for the Filipino people because President Aquino eventually won a significant mandate from the people. This is why, during his inauguration speech, he told the people that all of them were his bosses. He acknowledged that his power was coming from the will of the people.

His administration’s current practice is to have citizens’ engagement in governance at different stages. He directed the National Agencies to encourage mutual cooperation between the government and CSOs/volunteer organizations, and institutionalize mechanisms for their participation. For the Department of Social Welfare and Development’s part, we have developed a convergence framework with CSOs and volunteer groups.

Our suggested programs of engagement with civil society include:

- Bantay (Watch), which involves the conduct of anti-corruption campaigns and activities;
- Gabay (Guide), which is a mechanism to extend technical assistance, especially during the trainings of beneficiaries;
- Tulay (Bridge), which is the implementation of feedback and monitoring mechanisms; and
- Kaagapay (Hand in Hand), which are anti-poverty projects and activities.

Aside from this, the Philippines is also now part of President Obama’s Open Government Partnership. This signifies that President Aquino is really serious about promoting transparency and accountability, empowering citizens, fighting corruption, and harnessing new technologies to strengthen governance in our country.

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Challenges

While we continue to work on all these, we admit that there are still many challenges that we need to overcome.

For one thing, we need to change people’s attitudes and behaviors towards politics and government. In the Philippines, the relationship between politicians and their constituencies is a patron-client one. Such a dynamic keeps one side in power, while the other side is kept dependent.

It is obvious that changing their behaviors from one of patron-client to one of active citizenship will take time, especially since “patrons” will resist any move that can diminish or take their power away.

Another challenge we are facing is that until now, the change in civil society’s perspectives on constructive engagement is still limited. The prevailing practice of the past, critical collaboration, is still the dominant practice today. We need to be able to move from critical collaboration to collaborative engagement if we truly want social accountability to work.

Lastly, there is the challenge with the private sector, which remains a very strong market force. If the Philippines wants to compete economically on a global scale, there is danger with the private sector still preferring to take “shortcuts” when doing business in our country. This has long been a source of corruption in our country, so there is an urgent need to change that through more transparent regulatory practices and process.

All in all, it has been a long journey for Philippine civil society – but the journey isn’t over yet. While Middle Eastern and North African countries are finding themselves in situations similar to what our country has survived, we now gladly offer them our lessons and experiences so that they can begin their own journey towards greater social accountability and constructive engagement with state authorities.
Distinguished Participants,

I am very pleased and honored to be with you today on this occasion.

Turkey lived through difficult times during the 1990s indeed. We actually call them "the lost decade" for Turkey. We went through serious economic crisis in 1994, in 1999, and finally in 2001. In a way, before the global crisis, Turkey had its own crisis and somehow we have been vaccinated toward bigger crisis.

After this last and most serious economic crisis in 2001, we had an election in Turkey in 2002. At that election, we have actually observed a silent and civil revolution. The whole parliament had almost been changed in this election. All parties that were responsible for crisis were out of the parliament, and AK Party became the new government in this election. It was just, somehow, more than one year that it has been established, and this party came to power.

So we had to do very concrete and important reforms in order to create a new, whole political and economic environment. We have started with a new understanding, indeed.

We had prepared an election manifesto which was very realistic. We did not promise people heaven or anything like that. We promised very realistic policies for the people. And our principle was to promise, and deliver what we promised, and not to promise anything that we can not deliver. So the key word for us was "trust", confidence of the people. And we have gained this confidence. Our Prime Minister clearly declared to the public that we need a couple of years to deliver. Because there were so many problems, we had to take certain actions. People supported us. They gave us the power, and so we became the government.

When we became the government, we again did a very simple but critical thing. That was to create and to prepare an action plan. We called this plan as "urgent action plan" at that time. It covered urgent things as well as important and structural things. We declared it to the public.

It is the first time a government has declared its own road map to the public and made itself accountable to the public. Our prime minister, himself, read this action plan in front of the whole media, and told the media that this was our plan, and follow us through this plan.

In this plan, we had actions, and we had timetable for every action, and also responsible institutions. So it was a very concrete plan. And since then, we have made it a tradition. In every election, we prepared an election manifesto. After elections, we translated this manifesto into government program and it was submitted to the parliament. After the confidence vote in the parliament, we turned it into the government action plan for four years and so people could clearly follow our actions through this program. Our performance is open to public and media scrutiny.

When we look at what we have done through these action plans, there are so many different reforms, actions that have been achieved. Among these, public management and control law is certainly very important to create transparency. In our budget system, we have closed many extra-budgetary funds. We have increased the comprehension of the budget. We have also changed the system and made it as transparent as possible.

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In this budget, we have also prioritized things that are important for social life. Since our government has actually created a confidence and trust, the interest rates went down very quickly. We have also given great importance to fiscal discipline. And this helped us to bring interest rates further down.

The room created through this confidence, the fiscal room, is used for particularly vulnerable groups in the society. We have also invested a lot in education and health. We have strengthened the programs to fight against poverty. Actually we have also invested in physical infrastructure. Just to give an example, when we came to power in 2002, the whole double-carriage road network in Turkey was 6,000 kilometers. Since then, we have built 15,000 kilometers of double-carriage highways in nine years. And we have built lots of hospitals, schools etc.

However, in the meantime, we have actually focused on basic government functions, and we have privatized many state economic enterprises. We have strengthened the regulatory function of the government, established new regulatory authorities in the field of energy, tobacco, alcoholic beverages and in many other fields. We have reduced day-to-day interaction of political structures to decision-making processes in these fields.

We won elections in three consecutive elections. That is the first time in Turkish history that a party increases its vote in every election, and generates more support among the electorate. In three consecutive elections, we have increased our vote. We have these policies really proved successful. I mean, on the one hand, we have created a more competitive economy. On the other hand, we have strengthened the social state. We have created benefits for the society at the same time.

A couple of minutes ago, the Minister from Tunisia actually talked about freedom of information act. We enacted this law in 2004. I would like to underline the importance of this law for social accountability, especially for media accountability indeed. Because it is the media, that most uses this law rather than the person on the street; monitors what is going on in the government, and criticizes what is wrong. So we gave this law so importance in Turkey to create accountability.

Actually we have also used our own state statistics office, TurkStat, to follow the satisfaction of citizen. Since 2003, when we came to power, we have just started this new program. The TurkStat has measured the satisfaction level of Turkish citizens across different policy areas. I would like to give some examples from this survey to summarize the developments through our government period. When I look at these numbers, for example, in health, when we came to power in 2003, just 40 percent of citizens were satisfied with health services. However in 2010, it is 73 percent. In one way, that explains our success in elections, in competition.

However there is no such important development in justice services. So we are nowadays focusing on this field and thinking about how to make improvements in this area.

That was also an important novelty for us. We have actually somehow disciplined ourselves. Because TurkStat, is independent and has autonomy but a government institution. There are also people who do not trust the studies of Turkstat. But this is an important element for accountability, as well.

Actually when we were doing these reforms, the world, the conjuncture in the world was also important. Apart from demand from the society, we were also negotiating with EU. And it also helped us in this whole process, especially in the reform process.
Nevertheless the key issue was actually ownership. Without ownership of the government, your own ownership, your own prioritization, whatever the international environment or enabling outside factors, you can not make use of them. However if you have this ownership and the environment is also conducive, then you can certainly achieve.

Today, in my observation, we are now in a different stage after the whole process of reforms. In the first stages, you know it was easy to compare ourselves with the past. The past performance was so bad and it was actually very easy to justify our reforms and to persuade people about our success. But now, after nine years, our own performance is the starting point for us. I mean, it is more challenging when you go through the road. It is more challenging to prove your success. But, of course, we have to do it.

And there is also a reform fatigue in society. When you make so many reforms, it somehow creates a reform fatigue.

Considering these factors, we have actually been very dynamic as a party to change our cadre, to change the people in the government, in the parliament, and in other parts of the bureaucracy, as well. We have actually been a very dynamic administration. When you look at our cabinet, they are very young. And each time, you can see changes in the cabinet. In each election, you can see changes in the parliament, in our own party. So we are trying to keep our dynamism, our reform spirit in this process.

And another challenge for us is consolidate the reforms. There are so many reforms, but you should go to details, to field, and to consolidate every reform with capacity-building, with all investment in the people.

So these are basically our challenges. However, as I said, we are clearly in a democratic environment. We clearly see the need for change and for good management of change process. Otherwise, you cannot stay in power.

At the end of my speech, I would like to thank World Bank for this organization and all of you for your kind attention.