

Chapter 6. Strengthening governance

Regardless of the contours of the nation that emerges from Iraq's transition, any Iraqi governments will need to establish good governance and public administration. This chapter addresses four objectives that are most important for Iraq's long-term development: (a) strengthening budgeting and financial management, so that it can deliver key public services and facilitate private-sector growth; (b) determining the size and scope of government and the division of responsibilities between ministries and different levels of government, so that appropriate functions can be devolved to the provincial and municipal levels; (c) reforming human resource management policy and procedures, so that financial and human resources can be optimally deployed; and (d) combating corruption, so that the integrity of the public sector can be ensured. These issues will be at the forefront of Iraq's reform agenda for many years, as they have been in other countries following conflict (box 6.1).

Box 6.1. Strengthening governance after conflict

Strengthening governance is central to the successful recovery of countries that have endured conflict. Several lessons can be drawn from their experience:

- Building an efficient administration is a key task and is best achieved by focusing, especially in the immediate aftermath of conflict, on the basics of good administration—effective budgets, streamlined business processes, efficient civil service, and political and managerial accountability.
- One critical but often neglected priority is the creation of robust mechanisms for policy formulation and coordination at the center of government.
- Combating corruption is important, right from the beginning.
- There are often significant political pressures to increase public-sector employment to cope with challenges such as demobilization.
- Most postconflict societies will want to measure visible success in terms of the delivery of vital services—roads, power, water, sewerage, schools, and hospitals.

Fiscal policy and public finance

Iraq's systems for public financial management have been hampered by the poor security environment, the difficulties in communication, and the nontransparent recording of subsidies, which degrades the government's ability to allocate resources or to track overall spending. Urgent reforms are needed to address weaknesses in the budget and financial management systems.

The budget system

Before the Saddam regime, the budget system in Iraq was fairly efficient and robust. Elements of this system still remain, but have degraded substantially in the past 20 years. Controls and efficient reporting have largely broken down. Budget execution reports, for example, were formerly submitted on a timely basis; now there are substantial delays and no reconciliation between above- and below-the-line fiscal operations. This reflects difficulties of communication and gaps in reporting by governorates and decentralized agencies in Baghdad, as well as the absence of consolidated information on balances in

government bank accounts (or even accurate knowledge on the number of bank accounts). Furthermore, information is lacking on the operations and activities of major bilateral donors. The lack of accurate, timely financial information makes it virtually impossible to hold managers accountable, and any Iraqi government will need to solve this reporting problem if it is to exercise adequate financial discipline over line departments.

This points to another fundamental problem within Iraq's budget practices—the extraordinary fragmentation in the budget. Currently, several parallel spending plans that include both recurrent and capital expenditures exist in Iraq. The official Iraqi budget is financed by tax and nontax revenues, of which oil-export sales constitute the lion's share. In previous years, other sources of finance included letters of credit issued under the Oil for Food Program managed by the United Nations. Other streams include expenditures financed through external assistance from donors (including both grants and loans) and spending in some autonomous government institutions. There is virtually no coordination in the preparation or execution of these various spending plans, which often takes place through separate mechanisms.

- There is inadequate recording and reporting in government accounts of goods purchased through letters of credit issued under the Oil for Food Program in previous years, though these goods could represent a substantial share of a ministry's recurrent and capital expenditure.
- Donor-financed expenditures are taking place outside of the budget process. In many instances, donors discuss assistance directly with the relevant departments in line ministries, without necessarily informing the Ministry of Finance or the Ministry of Planning and Development Cooperation. Often several donor agencies have projects in certain sectors, without coordinating with each other or the concerned ministry. In some instances, donors pay civil servants directly in cash. The Ministry of Finance does not receive any records on the execution of external assistance. Payments for the execution of these expenditures are mostly taken outside of Iraq or made directly in cash.
- Total revenues and expenditures of some noncommercial government agencies, such as the Election Commission, are not included in the budget.

Thus, critical elements of the government's budget reform program could be (a) improving the coverage of the budget, so that it incorporates all significant revenues and expenditures made by the government, and (b) improving its transparency in line with international classification and accounting standards. It is also important over the medium term to ensure that all projects financed by donor aid are brought within the budget. While this will not be possible immediately, a useful first step could be adopting a unified framework in which spending entities would report plans and execution to the Ministry of Finance.

Financial management

In September 2004, the interim government agreed to a number of important commitments with the International Monetary Fund to improve the quality of Iraq's financial management. These include the preparation of regulations to implement the Financial Management Law adopted in June 2004. These agreements included introducing a single treasury account; reporting monthly consolidated fiscal accounts; implementing modules for the Financial Management Information System; reforming the system of budget classification; and strengthening expenditure controls and audit.

A subsequent joint World Bank-International Monetary Fund report on public financial management (Ahmad and others 2005) includes a comprehensive analysis of the existing system and recommendations for a range of short- and medium-term measures to strengthen budget preparation and execution. The government has since agreed with the World Bank, the International Monetary Fund, and bilateral donors on a program of technical assistance and capacity building to implement the Financial Management Law, including budget classification, accounting, debt management, direct foreign investment, control and audit, and payroll and human resource management.

The Financial Management Law does not itself provide a complete picture of the fiscal architecture required to rebuild the budget as the primary policy instrument of government. This will require further political and administrative decisions in key areas. One is the appropriate roles for various institutions within the expenditure management process. Consistent with emerging best practice in other areas, the government may, for example, wish to consider downsizing the role and responsibilities of the Ministry of Planning and, scaling up the role and capacity of the Ministry of Finance to take on full responsibility for all activities related to budget preparation and execution. Another would be developing the role of the parliament and the Supreme Board of Audit as the key institutions for overseeing the budget process and the value for money of budgetary expenditures. Finally, extensive capacity building is needed in a host of areas, ranging from treasury operations to debt management to financial auditing.

Strengthening the budgetary framework appears to be the main fiscal policy issue. In light of Iraq's large reconstruction needs and uncertain environment, a flexible medium-term fiscal framework is the optimal way to manage oil revenues.

Intergovernmental fiscal relations

As with most countries in the Middle East and North Africa region, Iraq under the Ba'ath regime was a centralized, constitutionally unitary country with fiscal, administrative, and political relations favoring a dominant central government and weak local governments. For the most part, the system of local government developed in Iraq under reconstruction reflects the structures that existed on paper under the Ba'ath regime, but were largely overshadowed. There were 18 governorates (or provinces), whose borders have not been changed under reconstruction. They were administrative rather than governmental units,

in that they had no real control over revenues and expenditures, which were decided by central authorities (Doane 2003).

Under the Coalition Provisional Authority, a number of efforts were made to transform the system of subnational governance and empower local governments to assume responsibility for a wider array of basic services. The provisional authority decided in mid-November 2003 to accelerate the transfer of authority to Iraqi officials, which led to the top-down creation of new council structures and selection procedures. The purpose of this “refreshment” was to make Governorate Councils more representative and more consistent across governorates. Unfortunately, the refreshment exercise did not fully live up to its expectations. Newly created councils often lacked basic skills and had no greater legitimacy than the councils initially created by the coalition forces.

The result has been a confusing patchwork of legislation and practice. The former local government framework still exists, except where explicitly overridden by more recent legislation and regulations. These legal structures decentralized authority at least to the governorate level. Governorate Councils are elected bodies (as of January 2005) funded through the national budget. They appoint a governor, review the line ministry plans and budgets, and organize the administration of public services within the governorate. They have the authority to raise revenues from their own sources.

The gap was immense between the formal law and the practice under the former regime, and a number of these discrepancies continue into the present day. As a general rule, local councils have found it difficult to exercise their authority over staff from central line departments, who continue to report through traditional ministerial reporting relationships. Actual control over many decisions concerning basic services continues to rest with the central line ministries, who report to the Supreme Council of Ministers. However, there are exceptions. The Kurdistan regional government, for example, appoints employees, including healthcare workers and teachers, who are paid by the central government in Baghdad and operate under central government regulations (Ahmad and others 2004). At present, a commission is working to sort out this mixture of leftover and temporary law as part of the constitutional process.

As Iraq finalizes its constitution and reflects on a wide range of issues that will define the nature and structure of its government, designing a coherent system of intergovernmental fiscal relations will require careful attention.

To what extent should Iraq decentralize?

Although there are no clear technical answers to this question, anecdotal experience indicates the value of decentralization. Countries in every region of the world, whether they have unitary governments (e. g., China, Mexico, Uganda) or federal (Brazil, India, Russia), have increasingly moved to more decentralized governance structures for a variety of reasons (box 6.2).

Box 6.2. Decentralization

Decentralization can play a useful role in empowering people to support processes of democratization, and it can help accommodate diverse populations and maintain national unity. It can improve the efficiency of service delivery by moving decision making closer to the citizenry, which is particularly important in countries where central governments are failing to perform their functions adequately. Countries have also occasionally chosen to decentralize for problematic reasons—to reduce large budget deficits by pushing expenditures down to local levels, while retaining revenues at the central level.

Political imperatives typically determine the extent and modalities of decentralization. However, fiscal and administrative questions will have an important impact on key development outcomes, such as the efficiency of service delivery, the equity of government expenditure, and the stability of the economy. Any future Iraqi government will need to address a number of important issues in this area. Some are basic questions that will help define the nature of the state, while others are more technical and will help determine the effectiveness of the state.

Different degrees of local autonomy are possible in either a federal or a unitary framework, but the rights of local governments are enshrined only in federal countries. Whether Iraq ultimately follows a unitary or federal path, harmonious intergovernmental relations will depend on, the perceived equity in the sharing of benefits from the nation's oil resources. Furthermore, Iraq's decentralization can be either symmetrical or asymmetrical (i. e., either giving equal autonomy for all subnational units or providing greater autonomy to certain areas). In many countries, asymmetry in the way different regions are treated (often in response to ethnic, religious, or economic heterogeneity) has worked towards building national allegiance. Examples include both developed and developing countries: Belgium, Bosnia-Herzegovina, Canada, China, Japan, Germany, Indonesia, Philippines, Spain, and Switzerland.

How many levels of government does Iraq need?

Should the current system of governorates be transformed into elected provincial governments? Although the political participation of provinces is already mandated through their involvement in the determination of the new constitution (i. e., the ability for three provinces to veto any proposed constitution), their overall roles in governance need to be considered much more comprehensively. In addition, local capacity will require attention. Decades of isolation have deprived administrators of exposure to international experience and associational benefits (e. g., regional municipal associations). Regional variations in administration are fairly pronounced as well.

For which functions should each level of government be responsible?

An important guiding principle can be that of subsidiarity, whereby responsibilities for public services are given to the lowest possible level where they can be discharged effectively. Where geographic spillovers occur, the appropriate level of service provision is best determined on the basis of externalities. Thus, garbage collection is seen as a local issue, although local delivery of public health or education are seen as issues that can affect the whole country and, as such, their provision may be ensured at the central level. Because such spillovers vary within sectors, it is advisable to determine jurisdictional responsibility at the level of the functions. The other key issues affecting jurisdictional responsibility involve public safety and the rule of law, particularly concerning arrangements for local, regional, and national internal security forces. There is much

scope in Iraq for greater decentralization of functions. Formal statutory establishment of responsibilities will be key.

How should local governments be financed?

Since ideally “finance follows function,” once functions are assigned, the determination of appropriate local revenues may follow. Typical sources of finance for each level of government are intergovernmental transfers, local taxes, user charges, and local borrowing. Given that over two-thirds of Iraq’s GDP is generated from oil, intergovernmental transfers will continue to be the main source of financing for local governments for the medium term. Different types of transfers can be used to address different concerns. Of primary importance for intergovernmental grants is the need to ensure “vertical balance”—that is, to enable local governments to finance the functions for which they are responsible. Block grants are typically assigned to subnational levels for this purpose, often based on population size and sometimes adjusted for the varying cost of delivering services throughout the country. In addition, conditional grants are assigned to local levels to ensure that services delivered locally but of national importance (e. g., public health, education) are adequate. Finally, depending on the degree of “horizontal equity” desired in a particular society, intergovernmental grants are allocated to redistribute resources. An important question for Iraq is to what extent should transfers contain a redistributive element to bring up standards in the lagging regions? The answer depends on how differentiated the provinces are in their income levels and their own potential sources of revenues. One of the main goals of intergovernmental transfers is to equalize, at least to some degree, development and well-being across all subnational governments. Thus, poor subnational governments can be assured of some minimum financial support to provide a nationally agreed-upon minimum level. How the equalization transfer is constructed therefore becomes critical to the overarching goal of poverty reduction. At the same time, it signals the government’s seriousness about achieving national cohesion.

Given the centralized tax base and the inevitable importance of intergovernmental transfers in Iraq, it is particularly important that transfers be transparent and predictable, so as to enable local planning and hard budget constraints (clear knowledge by local governments that they must manage their resources within a fixed budget envelope provided by the central government). Although transfers will continue to play the key role in financing local services, local taxes are an important method of strengthening accountability, because these marginal revenues can be clearly linked to local officials’ decisions about marginal expenditures. Expanding local tax bases is an important aspect of improving subnational governance.

Although subnational borrowing on credit markets may be a desirable financing mechanism in the future, it could be destabilizing now. Until a clear intergovernmental framework is implemented and its credibility proven, any borrowing that rapidly expands local expenditures and softens budget constraints could possibly threaten macroeconomic stability. Thus, a clear regulatory framework to strengthen transparency and determine the rules of subnational borrowing would need to be developed over time.

How should local governments be held accountable?

Because the draft constitution remains vague on the lines of authority and responsibility are now unclear between central and subnational administrations, institutional arrangements need to be developed that would define accountability and create appropriate incentives for each level of government. One issue that could be clarified, for example, is which level of government has the authority to hire and fire different types of officials. Furthermore, channels of “social accountability” need to be opened and strengthened, so that local governments and their constituents will have opportunities to engage in productive dialogue and partnerships.

Perhaps the most important point to emphasize at this early stage of Iraq’s decentralization effort is that each of the issues mentioned above must be considered both on its own and in conjunction with the others. Experience throughout the world highlights the danger of unintended consequences and the disturbing propensity of states to move toward an incoherent or inconsistent intergovernmental framework.¹ Decentralizing expenditure functions, for example, without adequately funding them leads to weak service delivery. Soft budget constraints between levels of government can create incentives for local governments to act irresponsibly (i. e., to overspend, undertax, overborrow, or use local state-owned enterprises or state banks to cover local expenditures) in the expectation that the central government will bail them out. But unless the central government provides adequate supplemental provisions for the poorer regions, decentralizing expenditure functions can lead to growing inequality. Fiscal decentralization without adequate political and administrative accountability can lead to local corruption. A coherent framework for decentralization—and for intergovernmental relations broadly—needs to take into account this multitude of issues.

Human resource management

Iraq now lacks many of the features of modern human resource management. Institutions with a clear mandate to manage the civil service are absent. Administrative skills and experience are lacking, and some areas are overstaffed and functions misaligned. Guidelines governing the basic elements of employment, promotion, termination, recruitment, and performance evaluation are not yet in place or enacted. Controls are not robust. Because basic data-gathering functions are nonexistent, most employment data are unreliable. Budgets are not reconciled and financial safeguards are weak, leading to strong suspicion that fraud is pervasive.

The civil service is a high priority for reform of human resource management. Primary legislation (National Civil Service Law 24, dating from 1983 but first issued in 1960, Staff Law 25 of 1960, and the Instruction of 1960) is preserved only insofar as it may be used to provide “redress for adverse managerial actions,” which is unsatisfactory in the absence of guidelines governing the many potential forms of termination. There is also little guidance to help civil service managers and protect civil servants from potentially contentious issues. Under the Coalition Provisional Authority (Order 30), the Ministry of

Finance is the primary authority for all policy, procedure, and disciplinary issues relating to public service employees, an arrangement that does not conform to international best practice. The payroll process and disbursement systems are also known to be weak. An audit report produced by the accounting firm of KPMG in June 2004 provides examples of weaknesses in controls. Areas of the payroll system that are vulnerable to irregular payments or reporting have been identified. Fundamentally, there is an urgent need to provide a resilient and secure end-to-end payroll process that incorporates significant fraud-prevention, effective internal controls, and individually traceable disbursements across the whole of the civil service.

Anticorruption

Problems of corruption are widely perceived to be a significant governance and developmental concern in Iraq. In 2003, the country ranked 111th on Transparency International's Corruption Perception Index, the lowest of any country within the Middle East and North Africa region. By 2004, Iraq ranked 129th out of 145 countries, in the company of Cameroon, Kenya, and Pakistan. The recently established Commission on Public Integrity receives about ten calls a day reporting various abuses or perceived abuses. A number of audit reports have identified consistent irregularities in accounts and lax financial and procurement controls:

- In January 2005, a report of the U.S. Inspector General found that the Coalition Provisional Authority disbursed \$8.8 billion to Iraqi ministries "without assurance the moneys were properly accounted for."
- In July 2004, an audit of the Development Fund for Iraq uncovered a number of areas of concern, including the absence of oil metering; the use of barter transactions for certain oil sales; and the use of noncompetitive bidding procedures for some contracts. The audit concluded that the weaknesses in monitoring oil extraction and financial transactions required corrective action.
- The audit also found problems with an inadequate control environment within Iraqi spending ministries, including outdated management information systems, limited computerization, inadequate training, and poor dissemination of the Ministry of Finance's policy manual on accounting procedures.
- A report by the Office of the Inspector General of the Coalition Provisional Authority reached similar conclusions, identifying the lack of transparency of Iraqi funds since the transfer of power to the Iraq Interim Government as being particularly problematic.
- U.S. Defense Contract Audit Agency examinations related to nearly \$7 billion in reconstruction work and found \$133 million in questionable costs and \$307 million in unsupported costs.

Although anecdotal evidence indicates that corruption is a significant problem in Iraq, it is difficult to confirm these perceptions empirically. No surveys have explicitly addressed corruption issues, and there is little robust statistical information on the scope and scale of the problem. The public opinion information that does exist indicates that perceptions of corruption do not appear to weigh heavily upon the public's mind. Problems of poor

security, unemployment, crime, occupation, and infrastructure are consistently cited as being of greatest public concern, and corruption is not among the top ten issues of greatest importance. Several interpretations could account for these findings. The first is that they reflect a hierarchy of values, in which safety, security, and economic well-being are thought to be more important than clean and transparent government. They could also reflect a general acceptance of at least certain types of corruption as a way of life, rather than an administrative pathology to be stamped out.

To combat problems of corruption, a number of initiatives launched under the Coalition Provisional Authority remain in place. Perhaps the most significant was the establishment of independent offices of inspectors general within individual Iraqi ministries. The inspectors general were authorized to perform a variety of functions, including auditing all records and activities of the ministry; conducting administrative investigations against any ministry official, including the minister; auditing the economy, efficiency, and effectiveness of the ministry's operations; and reviewing any ministry systems for measuring performance. As of July 2004, inspectors general were in place in all cabinet ministries, although their effective functioning will take time to develop. In addition, the Commission on Public Integrity was created, and the existing Supreme Board of Audit was revitalized and tasked with enhancing the economy, efficiency, effectiveness, and credibility of the Iraqi government. It was also tasked with collaborating with the Commission on Public Integrity and the inspectors general of individual ministries to ensure that the government remains honest, transparent, and accountable. The Commission on Public Integrity was charged with the criminal investigation of corruption cases and violations of the code of conduct, including those coming from anonymous sources. It was charged with promulgating mandatory financial disclosure regulations and a revised code of conduct for public officials. It was also tasked with responsibility for public information and awareness. Assessments of the external audit function by the World Bank and the International Monetary Fund have indicated that the Supreme Board of Audit's design and legal framework are largely adequate. Nonetheless, there is a significant need to strengthen its independence, improve transparency, upgrade business processes, and initiate capacity building and training.

To be successful, Iraqi anticorruption efforts need to operate along a number dimensions. The four described below are particularly important. It is also important that any efforts to combat corruption be grounded in a rigorous, empirically based analysis of the scope and magnitude of the problem.

- *Strengthening the legal and regulatory framework.* Issues that need to be addressed include (a) the definition of corruption within the penal code and the legal mandate of various accountability institutions charged with detecting and combating it, (b) the links within the accountability chain, including procedures for investigating, prosecuting, and trying cases involving corruption or administrative discipline and sanctions, and (c) the legislation intended to promote integrity within the public sector, ranging from ethical codes of conduct to financial disclosure and conflict of interest provisions.

- *Developing strong accountability institutions.* Accountability institutions, such as supreme audit boards, anticorruption agencies, inspectors general, ombudsmen, and the like are another important link within the disciplinary chain. Often, such agencies lack the necessary mandate, staffing, budget, and independence to function effectively. Their administrative and investigative procedures can be ponderous, their equipment inadequate and antiquated, and their staff lacking in important skills, such as forensic accounting or techniques of net asset evaluation.
- *Supporting prevention within individual agencies and line departments.* Corruption is not spread uniformly throughout the public sector, but is often concentrated in departments with significant revenue (tax and customs), expenditure (education and public works), or regulatory functions (police and building inspection). It is therefore important that the departments most prone to corrupt activity have active programs aimed at minimizing their vulnerability. Prevention is typically the first and most important step, and many solutions can be employed at the organizational level. Some enhance transparency and monitoring performance, either internally or externally; others streamline business processes to reduce opportunities for graft and speed money; others improve internal financial controls or reform personnel practices. Many are under the control of the organization itself and can be put in place rapidly, if significant political will exists. In some cases (such as improving human resource management), broader changes within the public sector may be necessary.
- *Enhancing public opinion and awareness.* Many of the most successful anticorruption programs involve a component addressing public awareness and education. Hong Kong's highly successful Independent Commission Against Corruption, for example, devoted the greatest proportion of its administrative budget to raising awareness within the community as to what constitutes corruption and what can be done about it. The result was a significant shift in public attitudes and awareness and a greater willingness to come forward with complaints.

Summary of recommendations

The new Iraqi government will face a host of critical governance and public administration challenges that will take a decade or more to fully resolve. Many issues, such as the appropriate devolution of responsibilities to the provincial and municipal level, are fundamentally political in nature. As such, they will be informed by technical judgments, but not determined by them.

In the narrower field of public administration, in the short-term, any Iraqi government will need to focus upon getting the basic systems and procedures in place that will allow it to mobilize financial and human resources efficiently, deliver services effectively at the most appropriate level, and preserve integrity within government. These basic reforms should be implemented in a fashion that, at a minimum, does no harm to the effective medium- to long-term functioning of the Iraqi state—such as, for example, avoiding the pernicious practice of salary top-ups by donor organizations, which distort the incentive

framework within the civil service. More positively, such reforms will facilitate the evolution of the public sector into an effective, high-performing entity.

For public financial management

- Improve the comprehensiveness and transparency of the budget process, integrating all important revenue and expenditure streams.
- Determine the appropriate role of institutions in the expenditure process, including unification of the budget preparation process within the Ministry of Finance.
- Improve internal reporting, control, accounting (particularly for oil revenues), and audit procedures.
- Strengthen capacity of the Ministry of Finance (particularly in public debt management) and of the Supreme Board of Audit.

For intergovernmental fiscal relations

- Forge a political consensus on the optimum number and appropriate assignment of responsibilities to various levels of government.
- Analyze expenditure assignments and costs of service delivery at various levels of government, so that the fiscal requirements are known.
- Devise a system of grant and transfer payments, taxes, user fees, and borrowing that matches the assignment of expenditures.
- Develop appropriate legislation, regulations, and incentives to prevent corruption and problems of irresponsible fiscal behavior among subnational governments.

For human resource management

- Establish two regulatory bodies to oversee the civil service: one to make human relations policy, and the other to monitor compliance and serve as an independent avenue of appeal.
- Create basic human relations and payroll management tools, including a review of staff grading across ministries, an employee verification process, capabilities for establishment control and manpower planning, streamlined payroll calculation rules, and comprehensive vacancy lists.
- Enact new legislation that defines the guiding principles of public sector employment and identifies or creates institutions responsible for civil service management.
- Introduce regulations to define contractual terms and conditions for the civil service: recruitment and selection procedures; terms and conditions of employment; policy statements and operational guidelines to avoid discrimination; employee rights; employee benefits; disciplinary and grievance procedures; redundancy and transfers; termination.
- Develop the capability within each line ministry to make human relations strategy operational.
- Enhance payroll technology and develop an operational payroll and job application strategy.

For anticorruption

- Review legal codes addressing corruption, asset disclosure, conflict of interest, and whistleblower protection and revise as necessary.

- Conduct survey and diagnostic work to better understand public attitudes toward corruption and identify key problem areas.
- Strengthen the capacity of independent anticorruption agencies, such as the Commission on Public Integrity and the inspectors general.
- Develop ministerial and departmental anticorruption plans for key revenue, expenditure, and regulatory agencies most vulnerable to corruption.
- Develop a public awareness and education program.

Note

ⁱ In South Africa, however, a post-apartheid White Paper had provided the country with an excellent road map for reforming and decentralizing government: www.treasury.gov.za.