

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

This dissertation focuses on examining the extent to which multilateral institutions have promoted good governance in Zambia's Third Republic with specific attention to the efforts of the World Bank (WB) and the United Nations Development Programme (UNDP).

The subject of governance has over the past decade continued to occupy a prominent position in the development discourse in Zambia. Zambia is one of the many developing countries faced with governance challenges such as electoral malpractices coupled with poverty. Poverty in Zambia is endemic. It affects about 70 percent of the population (Zambia State of Governance Report, 2009). According to the *Zambia State of Governance Report (2009)* poverty does not only affect one's ability to meet socio-economic needs, but also one's ability to actualize civil and political needs. In view of this, the recognition of important ideals such as decentralisation, respect for human rights, rule of law, political pluralism, citizens participation, eradication of corruption and transparent and accountable public sector has become paramount in the country. The recognition of these ideals in this regard is aimed at promoting good governance as a basis for sustainable development and poverty eradication.

The World Bank study (2006) entitled *Demanding Good Governance in Anglophone Africa* states that most countries that have good governance practices have made great strides in terms of economic development and consequently poverty eradication. In Ghana for instance, making the budgeting process more participatory has allowed views of the ordinary citizens to be considered thereby enabling the government to come up with budgets which are more tailored to the needs of the people. Similarly, Service Delivery Tracking in South Africa has helped in the promotion of effective management of public resources and efficient delivery of public services by Eastern Cape government departments. Further, efforts to enhance good governance by Civil Society Organisations in Zimbabwe like the Centre for Total Transformation has helped to reduce corruption within rural schools in Mazowe district and led to improved delivery of education services (McNeil and Mumvuma, 2006). In view of this, the promotion of good

governance has become a core concern for both developing and developed countries with regard to international development cooperation. This largely demonstrates why multilateral institutions such as the World Bank and the United Nations Development Programme have set the promotion of good governance as the condition for their aid for sustainable development in Zambia and in other Developing countries at large.

Following the liberal democratic transitions of the late 1980s and early 1990s after the collapse of the Soviet Union, good governance assistance emerged as a key area of support within the international aid community (Brown, 2005). This was also the period when the world was recovering from the economic crisis of 1980s (Maldonado, 2001). To meet these global dynamics, many Third World Countries like Zambia started requesting for aid from developed countries which has since been provided on the condition of promoting good governance by the recipient countries. From that time onwards, bilateral governments, multilateral organizations and a large number of international non-governmental organisations (NGOs) have been actively engaged in various programmes aimed at enhancing good governance in the country. The main international actors involved in providing governance assistance in Zambia have concentrated their attention towards elections and the electoral process, institution-building, constitutional reforms, the promotion of rule of law and judicial reforms, support of institutions intended to promote checks and balances and accountability, such as the anti-corruption agencies and, more recently, the parliament (Carothers, 2010). However, the UNDP and the World Bank in the country have focused on supporting the public sector and parliamentary reforms, the electoral process, human rights and the decentralisation process. Support for political parties also falls in this category, but this form of support has remained limited compared to the overall amount of aid transfers going directly to the government, such as general budget support and harmonized aid modalities (Carothers, 2006). Further most bilateral aid agencies have since the 1990s provided assistance to Civil Society Organisations, and the principal focus has been on issue-oriented NGOs and the media (Oxford Policy Management, 2008).

Among the major multilateral institutions that have been active in attempting to promote good governance in the country include the World Bank and the UNDP. In principle, both the two multilateral institutions are part of the United Nations (UN)

system. However in practice, the World Bank is autonomous in its operations as opposed to the UNDP which gets directives from the UN (Mansbach, 1994).

Through collaboration with the UNDP and the World Bank, the Zambian government has received considerable funding from these two multilateral institutions aimed at promoting good governance as a basis for sustainable development in the country. It is anticipated that with this funding from the two multilateral institutions, governance in Zambia has significantly improved. However, there are allegations by opposition political parties and the civil society organisations that Zambia's public institutions have not been adequate enough in the promotion of good governance in the country. For instance, in 2001 the Electoral Commission was accused by United Party for National Development (UPND) of rigging the elections in favour of the ruling party, the Movement for Multiparty Democracy by then (Gewald et al, 2008). Such accusations of the Electoral Commission have made it less reliable in the past to most electorates particularly from the opposition. In addition, the World Bank funded National Governance Survey (2004) indicates that Zambia's public institutions have not been adequate enough in service delivery with corruption being the major contributing factor. In the face of all these governance challenges in the country however, the UNDP and the World Bank have continued funding governance programmes in the country.

## **1.2 Statement of the Problem**

Zambia incorporated good governance on its development agenda following liberal democratic transition of the late 1980s coupled with the economic crisis in the same period. To meet these global dynamics, the country started demanding aid from donor agencies such as the World Bank and the UNDP which has since been provided on the basis of principles of good governance which include an effective public sector and electoral system, an efficient Parliament, the promotion of human rights and decentralisation (Human Development Report, 2011). Nonetheless, despite the engagement of these multilateral institutions on the agenda of governance, it is debatable whether the aid received from these institutions has significantly improved governance in the country or not. This is because it is alleged by the civil society organisations and oppositions political parties that Zambia's formal institutions such as the legislature and

the Electoral Commission are not effective enough and corruption remains a problem in the public sector. Furthermore, according to the Zambia National Baseline Survey (2004), these governance shortcomings have undermined service delivery in the country. To this effect, what exactly is the extent to which the efforts of these multilateral institutions have succeeded in promoting good governance in Zambia?

### **1.3 Objectives of the Study**

#### ***1.3.1 General objective***

To examine the extent to which the World Bank and the UNDP have managed to promote good governance in Zambia

#### ***1.3.2 Specific objectives***

- (i) To establish and examine the effectiveness of the measures which the two multilateral institutions have put in place to promote public service reforms in the country
- (ii) To establish and examine how the two institutions have strengthened the electoral process and Parliament in the country
- (iii) To establish and to examine to what extent the efforts of the two institutions have managed to enhance decentralisation in the country
- (iv) To establish and to examine to what extent the measures put in place by the two institutions have managed to promote human rights in the country

### **1.4 Research Questions**

- (i) What measures were put in place by the two multilateral institutions to promote public sector reforms?
- (ii) What efforts did the two institutions put in place to strengthen the electoral process and the Parliament in the country?
- (iii) What measures did the two institutions put in place to promote decentralisation in the country?
- (iv) What measures did the two institutions put in place to promote human rights in the country?

## **1.5 Rationale of the Study**

This study was undertaken because of the following three main reasons. Firstly, the ambiguity on the extent to which good governance has been promoted in Zambia and the reason(s) why the World Bank and the UNDP are promoting good governance in the country. Secondly, lack of clarity in the explanation of good governance which in most cases has been mistaken for liberal democracy. Thirdly, the study was undertaken due to lack of studies on the main objective of this study. Most literature available on the two multilateral institutions looks at economic development in Zambia as opposed to the topic at hand whose focus is good governance.

The study is beneficial in the following ways; it is anticipated that the findings and ultimately the conclusions of this study will enhance the understanding of good governance in Zambia as specifically promoted by the World Bank and the UNDP. The information generated from this research will also help both the government and the two multilateral institutions to address the principles of good governance that have not been addressed effectively. The generated findings will also help the government and the institutions to find better means to promote good governance in the country as the foundation for sustainable development and poverty eradication.

## **1.6 Conceptual Framework**

The major concepts discussed in this study fall under the umbrella of good governance. Firstly, the meaning of good governance is conceptualised by also explaining other key terms which have a close relation with it and have a bearing to this study. Then secondly, key elements of good governance are later conceptualised.

In this study, governance refers to the process by which a country manages its political, economic and social affairs for the wellbeing of its citizens. In this study then, good governance means the process by which a country effectively and efficiently manages its political, economic and social affairs for the wellbeing of its citizens. From the viewpoint of the UNDP, governance refers to “the exercise of economic, political and administrative authority to manage a country’s affairs at all levels. It comprises mechanisms, processes and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences”

(UNDP Governance Policy, 1997). On the other hand, according to the former World Bank president Barber Conable (1986), good governance refers to “as a public service that is efficient, a judicial system that is reliable and an administration that is accountable to its public. Conversely, bad or poor governance is characterized by arbitrary policy making, unaccountable bureaucracies and legal system, abuse of public office and wide spread corruption.

It is also important to understand the conceptual distinction between good governance and liberal democracy as the two terms have been used interchangeably. Good governance as earlier defined implies effective management of public affairs where as liberal democracy simply means free and fair participation in public affairs. According to Danziger (2005), liberal democracy constitutes extensive political and civil liberties regarding participation, personal freedoms and opposition. It is normally characterised by free and fair elections, upholding of human rights and rule of law. In this regard, there is a strong relationship between good governance and liberal democracy. That is for effective management of public resources (good governance) to be realised, people’s freedoms and rights (liberal democracy) should be observed to allow their views to be taken in the governance agenda. Therefore good governance can only be achieved if people participate in their governance process fully through their rights and duties. In most cases, multilateral institutions promote good governance alongside liberal democracy as a basis for sustainable development. Sustainable development basically entails utilization of a country’s scarce resources to meet basic needs. According to the Report of the World Commission on Environment and Development (1987) entitled “Our Common Future,” sustainable development is development that meets the needs of the present without compromising the ability of the future generations to meet their own needs. It involves improved living standards for all, better protected and managed ecosystem and a safer, more prosperous future.

The above understanding of sustainable development is the one that has been embraced by multilateral institutions in the promotion of good governance. Multilateral institutions are organizations formed by a group of nations to work on issues that affect the member countries. These include political, economic and social issues. For these issues to be addressed adequately in any country, multilateral institutions believe that

good governance must be employed. Promotion of good governance by multilateral institutions implies how good governance has been supported by multilateral institutions precisely the World Bank and the UNDP. Multilateral institutions attach terms to funds for governance programmes and these terms are normally referred to as conditionalities. Broadly, Conditionalities means the programmes and policies that the World Bank, UNDP and other donors would want the country receiving aid to implement. Basically, it means conditions attached to donor funds. Some of the conditionalities by donors include the Structural Adjustment Programs (SAPs), Poverty Reduction Strategy Papers (PRSPs) and the promotion of good governance. To address good governance in the country, the UNDP and the World Bank have concentrated on the following key elements of good governance:

Public sector reforms involve restructuring the public service to build the capacity of civil servants and to enhance the quality of public services. According to Kiragu and Mutahaba (2005), public service reforms involve controlling numbers and cost of employment in the public service. It also involves the degree of independence of the civil service from political pressure, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies. It also involves transparency and accountability in the formulation and implementation of these policies. Transparency means that decisions taken and their enforcement are done in a manner that follows set down rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcements. Transparency helps to eradicate corruption as it involves openness in the functioning of the government. Accountability on the other hand is concerned with the extent to which government policies and decisions reflect the interests of the people. It is also concerned with the extent to which people trust and depend on the government. Therefore, it is about how reliable the government is in its public sector management. Apart from the public sector, another key area of governance that multilateral institutions have concentrated on is the electoral process.

The Electoral Process is a process that stipulates how elections are supposed to be conducted. The electoral process involves who is eligible to vote, how people are nominated to stand as candidates on the day of polling, the electoral system, scheduling

the date for elections, the campaign period, polling day and announcement of the results. An example of an electoral system which is commonly used is the First Past the Post also known as the Simple Plurality System. This system of vote counting is the simplest. The voter only votes for one candidate and whoever gets the highest number of votes is elected. After the date of elections is announced by the incumbent president, campaigns automatically commences. To make the electoral process more effective, electoral reforms are necessary. Electoral reforms are efforts aimed at eliminating undemocratic or corrupt practices in the conduct of public elections. Electoral reforms are usually brought about by laws that contain provisions for accomplishing one or more of the following ends: giving citizens previously barred from voting, regulating how campaign contributions are raised and used, and outlawing corrupt practices that seek to influence the outcome of elections. After reforming the electoral process it is also important that representatives voted into authority operate in effective institutions. Therefore it is equally important to carry out parliamentary reforms which are aimed at making the Parliament effective.

Parliamentary reforms involve introducing measures that ensure that the Parliament is restructured in such a way that it is more effective and efficient in performing its functions. In most cases it involves equipping the operational system of Parliament with modern administrative artifacts and capacity building of the administrative officials. In addition, it requires capacity building of parliamentarians and decentralising the functions of the institution so as to bring them closer to the people. A decentralised system of governance is one way of promoting good governance as it allows people at the grassroots to participate in decision making.

Decentralisation therefore refers to administrative changes, which give lower levels of government greater administrative authority in delivering services. According to the National Decentralisation Policy (2002), decentralisation involves the transfer of responsibilities, authority, functions as well as power and appropriate resources, to provincial, district and sub-district levels. It involves changes in political institutions so that electors vote for representatives at lower levels of government who in turn have effective control over lower level bureaucrats involved in service delivery. Thus a

decentralized system must recognise human rights such as the right to vote for it to be effective.

In this study then Human Rights are understood as indisputable entitlements that accrue to every human being regardless of other forms of distinctions such as race, sex language, religion, political or other opinion, property birth or other status. According to the State of Human Rights Report (2008), human rights are universal legal guarantees protecting individuals and groups against action which interferes with fundamental freedoms and human dignity. With the spread of liberal democracy around the world and pressure from liberal institutions like the World Bank and the UN system at large, many developing countries which were dominated by socialism adopted multipartism again with much emphasis on good governance. Among the major freedoms emphasised by multipartism is the right to vote. Voters in most countries normally vote for the president, members of parliament (MPs) and members of the local council (councilors).

In summary, the key concept explained in the conceptual framework is good governance. To understand it further, however, it has been explained through some of its elements identified in this study which are; public service reforms, the electoral process, parliamentary reforms, decentralisation and human rights. These are the key concepts which are looked at in this study to establish how multilateral institutions have been promoting good governance in our country of study.

## **1.7 Literature Review**

A thorough review of literature available indicates that not much has been written related to good governance and multilateral institutions in Zambia. There is however some related literature to the topic which looks at the donor community at large and democratic governance in the country. In addition, there are some specific writings on the World Bank and structural reforms in the country which in essence fall under governance. Further, there are some reports on the work of the UNDP on governance in the country. In this sense, some literature covered in this study is on Zambia and some is generally on developing countries but also capturing Zambia as one of the developing countries. To start with literature on governance in Zambia is discussed followed by general literature on governance.

According to the World Bank National Governance Baseline Survey (2004), Zambia faces a number of governance challenges which can only be addressed by the implementation of a series of institutional reforms in key areas to improve transparency and accountability. The survey reports that over 80 percent of households and public officials rated corruption in the public sector as a very serious challenge to governance and about 67 percent of managers rated it as the most burdensome obstacle to development. Households and managers also reported that delivery of services of some public services is perceived to be poor and uneven across the country. This is because financial and physical resources are inadequate. Public officials indicated that the amounts of budgetary allocations their organisations receive are not enough to fulfill their needs to carry out their activities. In addition, the survey indicated that public officials are seldom recruited on merit and transparency basis. Further, the survey indicated that salary dissatisfaction among public workers is very widespread with 98.3 percent of public officials interviewed indicating that they experienced delays in receiving their salaries. In this regard, the survey recommended that with the implementation of Public Service Reform Programme (PRSP) it is expected that governance could significantly improve.

The survey by the World Bank shows how the institution has been able to understand governance in the country in an effort to improve it. This survey is important to this study as it establishes particularly the efforts of the World Bank in trying to improve governance in the country. However, the survey is not inclusive as it leaves out other areas of governance like the electoral process, human rights, and the decentralisation process which are a focus of this study. In addition, the study precisely looks at the efforts of the Bank leaving out the UNDP. With these gaps at hand it was important to conduct this study which is more inclusive.

According to Rakner (2012), in his paper “Foreign Aid and Democratic Consolidation in Zambia,” close to two decades of democracy support to Zambia illustrates the paradoxes found in general literature on democracy assistance in the country. Donor support to political parties and parliament has been limited compared to the overall amount of aid transfers going directly to the government, such as general budget support and harmonized aid modalities. The form of aid transfers that have been preferred since the introduction of Poverty Reduction Strategy processes have often

bypassed formal political processes and institutions. The aid modalities introduced by the turn of the millennium have often meant that donors have agreed to provide funding to governments have not been discussed by political parties—or even in parliament. As a result, aid, even transfers considered to enhance governance, may risk undermining central democratic processes, and enhancing the position of the incumbent.

The paper reveals important information on how donors promote democratic governance in the country. The paper clearly indicates that donor aid has concentrated on government budgetary support as opposed to aiding oversight institutions that offer checks and balances. This has led to a problem on governance in that many oversight institutions have been left out in the mainstream of governance because of lack of capacity. Although this paper looks at aid and governance in the country, it does not concentrate on aid from the World Bank and the UNDP and how this aid has affected governance in the country. Instead, the paper looks at aid in general and its impact on democracy as opposed to governance. In this regard a gap was left to be bridged by finding out precisely how the two multilateral institutions have promoted good governance in the country.

Ihonvbere (1991-1996), in “The Crisis of Democratic Consolidation in Zambia” argues that democracy has not reduced corruption and the abuse of office. True, it has opened up the political landscape, but it has not wiped out human rights abuses, reduced primordial conflicts, promoted accountability, or reduced poverty in any way. In fact, in spite of pluralism, unemployment, poverty, crime, prostitution, violence, and general social decay have increased. As well, in spite of the initial enthusiasm about Zambian democracy and promises of foreign aid, these have not materialised and investors are not rushing to invest in the country especially as its socio-economic crisis continues to deepen. The MMD is certainly a conservative political movement which is committed to orthodox adjustment programmes. In several respects, it is much worse than the Kaunda government. This is largely because some of the leaders were former Kaunda officials who had been sacked for corruption, incompetence, and abuse of office. They had joined in setting up the MMD to challenge Kaunda not because they believed in democracy, but because they wanted to re-enter Zambian politics and have direct access to the state and its resources. The lack of democracy in the numerous opposition parties and their weak

and confused programs and patterns of politics reveals much about the nature of politics in Zambia.

Despite this effort by Ihonvbere to highlight key issues on governance in Zambia, his study concentrates much on governance in the country between 1991 and 1996, when Chiluba was the president of the country. In addition it does not illustrate how good governance has been promoted by the UNDP and the World Bank. Therefore, there was need to find out how governance has been influenced by the two multilateral institutions in Zambia's third republic.

In his article "Structural Adjustments – Effects in Zambia," *Africa's hidden killers*; Lynas (2000) argues that the majority of privatized Zambian businesses have been sold off into foreign ownership. In the case of Zambia Breweries, producers of the country's famous Mosi (Victoria Falls) lager, South African Breweries is now in charge. Zambia Consolidated Copper Mines which has acted as a mini-government in the country's Copper Belt region is now being sold off to a Canadian and Swiss consortium under pressure from international lenders, who have refused to give Zambia balance-of-payments support until the mines are privatized. Many more home-grown companies have simply gone bankrupt or are struggling to survive. "Africa can only develop with the participation of its own people," said Women for Change's Emily Sikazwe. People-centered development is a strategy to which the UN, NGOs and even the World Bank-- which sprinkles its publications with high-minded concepts--have signed on. Meanwhile, organizing together into a Campaign against Poverty, Zambian NGOs are issuing a challenge to the World Bank and the IMF to allow Africans to participate in deciding how their countries are run. If the neoliberal economists of the World Bank are interested in heeding this call, they will have to leave their plush offices in Washington. They'll have to go to Lusaka, to Nairobi and to Harare. They'll have to go to Misisi, to University Teaching Hospital, and they'll have to listen to what people there say.

This article by Lynas reviews how the World Bank policies have undermined the rights of Zambians to participate in the affairs of their own country. The key aspect of good governance is to allow citizens to decide on how their nation is supposed to be ruled. However, this article argues that the World Bank policies have in some instances undermined good governance by excluding Zambians in national affairs. This article is

important to this study as it looks at how the World Bank has affected governance in the country but, it does not cover the UNDP which gave room for this research to be conducted.

In his article, “The Politics of Structural Adjustment in Zambia,” Simutanyi (1996) argues that since the advent of international monetary fund (IMF) and World Bank–inspired structural adjustment policies, there has been a concern regarding sustainability of economic policy reform. As economic reform measures hurt some groups and benefit others they produce winners and losers. The groups that were hurt by the economic measures often resisted them, leading to their suspension and cancellation. The recent experience in Zambia now clearly shows that opposition to structural adjustment is not sufficient to lead to their cancellation. The success of structural adjustment policies is predicated on the existence of state capacity to push through reform measures and in particular to insulate itself or its bureaucracy from the demands of interest groups. It is more a matter of political will and commitment by a government to implement a structural adjustment package. In Zambia, the past government of Kaunda showed a lack of commitment. Since the re-democratisation process took place in Zambia, however, the groups that previously opposed structural adjustment policies have been either demobilised or at the best ineffectual. For example, the organised labour has been demobilised through a combination of labour retrenchment, dismissal and wage freezes.

This paper by Simutanyi exposes how structural adjustments have been undermining good governance in Zambia. Among other things, good governance advocates for equal participation in national issues, however from this paper, it is clear that the World Bank/IMF structure adjustments in Zambia have weakened some groups in society such as the organised labour force thereby making them unable to participate adequately in the process of decision making. This leaves room to clearly assess the extent to which governance in Zambia has been promoted by these multilateral institutions.

According to the 2001 January journal by the World Bank in titled “Promoting Good Governance with Social Funds and Decentralisation number 51”, bad governance undermines development. Corruption, lack of transparency and accountability, poorly

designed decentralization, inadequate service delivery, and social exclusion can all direct resources away from the poor, needy, and powerless to the rich, replete, and dominant. A study was therefore commissioned to examine the interaction between social funds and decentralization in Bolivia and Honduras (advanced decentralisation), Peru and Zimbabwe (some decentralisation), and Cambodia, Malawi, and Zambia (limited decentralisation). According to the study, Social funds and decentralization have supported each other in important ways. For example, social funds have encouraged decentralization where it has not advanced far. In Cambodia, Malawi, and Zambia central governments were slow to decentralise functions and resources, so local governments could not be relied on to deliver basic services. By channeling resources to community groups, social funds in all three countries demonstrated the feasibility of and potential for participatory planning. Thus the recently created social fund is intended to strengthen decentralisation processes and operationalise participatory planning. Social funds have shifted decision making away from government bureaucrats toward communities that previously had little or no opportunity to influence decisions, especially in countries with less decentralised local planning such as Cambodia, Malawi, and Zambia.

This journal by the World Bank reveals important work conducted by the Bank in the promotion of governance by enhancing decentralisation in its partner countries. This literature is important to this study as it captures Zambia as one of the countries that the Bank is working with to promote decentralisation and ultimately good governance. However, the study was conducted in 2001 which leaves much to be studied as more years have passed since it was conducted. In addition it is solely on the world banking excluding the UNDP. In this sense, there was need to find out what the bank and the UNDP have been doing on decentralisation as one of the ways to promote good governance in the country.

The literature presented above gives insight of how governance has been affected by external aid in the country. This literature is important as it gives ideas on how multilateral institutions have been promoting governance in the country. However, it is also important to understand how multilateral institutions and external funding have affected governance from a broader perspective to be able to understand the Zambia

situation better. Thus, the literature discussed below gives a broader theoretical understanding of governance as influenced by external actors.

Santiso (2001) discusses why donor agencies have been pushing for reforms in institutions of governance as a premise for development. He argues that recent research on the political economy of policy reform suggests that the influence of the political context on economic performance is paramount. If political systems can be held responsible for slow economic development, it is because of fundamental weaknesses in governance institutions. Institutional economics maintains that economic reform and poverty reduction strategies will not succeed without effective democratic institutions. He argues that well-institutionalized democracies are more likely to produce, over the long run, effective, efficient and sustainable economic and social policies, because they provide effective and stable institutional and procedural mechanisms to represent interests, arbitrate disputes, provide checks and balances, and negotiate change. Political institutions matter for economic development because of the propensity of democracies to moderate social conflict and induce compromise.

Santiso (2001) highlights the importance of strong governance institutions in promoting economic development. This is the more reason why the World Bank and the UNDP consider institutional reform as part of their core focus. These multilateral institutions believe that well institutionalized governance institutions are more effective and efficient in developmental projects. However, despite his effort to review such important information on the importance of democratic institutions in economic development, Santiso's work is based on an overview analysis of the importance of democratic institutions in economic development. His work is not specific to Zambia but general. In addition, he was just concerned with institutions and left out other governance aspects that foster development. More critical, it doesn't discuss about institutions in Zambia. Therefore, a more detailed research was needed to establish how the World Bank and the UNDP have been pushing for good governance as a whole in their quest to push for development in the country.

In his paper, *Good Governance and Transparent: their Impact on Development*, Al-Jurf (1999) observes that one of the areas that the World Bank is addressing to promote governance around the world is the fight against corruption. In theory, the World

Bank has been dedicated to ensuring that the projects that it funds are not touched by corruption of any kind. Although there is no specific language in the World Bank's Charter that points to anti-corruption, there are clauses that require the Bank to ensure that the money it gives to nations will be used for the stated purposes. In this regard, many officials of the Bank have called for sweeping anti- corruption reform. While it may be unable to restrict all actors, the Bank does reserve the right to cancel financing on any contract whenever it has knowledge that fraudulent or corrupt practices were engaged in by the representatives, the borrowers or the beneficiaries of the loan.

In its quest to fight corruption among partner countries, the World Bank is working to help countries strengthen their institutions, and thereby provide a framework for greater transparency. The Bank has been looking for ways to develop legal means to combat corruption. To this end, it has stressed the importance of independent judiciaries. Such judiciaries would apply laws without the influence of governmental pressure, thereby enhancing transparency and reducing the effects of corruption. An independent judiciary would also be immune from the threat of possible backlash from government officials who are not pleased with its rulings and who have not previously been subject to the penalties of the law. In order to bring about transparency, all officials, regardless of their status or connections, will have to be subject to the law and legal sanctions. To respond to complaints of a lack of judicial and legislative autonomy and abuse of public spending in Latin America, the World Bank responded by providing technical assistance and advice for improvements to the legislative and judicial branches. This included guidelines for the training and selection of judges and legislators, as well as a recommendation that they receive a sufficient stipend, lest they submit to the temptation of bribery in order to support themselves and their families. The World Bank also aided in facilitating access to information and assistance in monitoring and evaluating public spending.

Al-Jurf paper indicates clearly how the World Bank is pushing for governance principles through the fight against corruption among its partner countries. However, this paper gives general information of the bank and the fight of corruption with reference to Latin America. It doesn't bring out corruption as challenged by the UNDP together with the World Bank in Zambia. In addition the information reviewed does not specifically

point to the Zambian situation. Further, the fight against corruption is just one of the ways in which good governance can be enhanced. Above all, this paper was not necessarily an academic research but a mere paper mainly facilitated with desk research. In this regard, there was need to conduct a more intense study to include other areas that the bank is tackling in its endeavor to promote good governance precisely in the Zambian context.

Dollar and Svensson (1998) found several political and institutional features associated with successful reform programs. They suggest that the success of adjustment loans can largely be predicted by a country's underlying institutional and political features, including whether the government was democratically elected and how long it has been in power, with post-conflict and transition countries being specific cases. In general, newly elected governments have a higher rate of success with reform than authoritarian governments in power for a long time. The election of a new government opens a window of opportunity enabling it to launch audacious reforms. Well-institutionalized democracies are more likely to produce, over the long run, effective, efficient and sustainable economic and social policies, because they provide effective and stable institutional and procedural mechanisms to represent interests, arbitrate disputes, provide checks and balances, and negotiate change. According to Rodrik (2000), political institutions matter for economic development because of the propensity of democracies to moderate social conflict and induce compromise. Isham, Kaufman, and Pritchett (1997) findings indicate that effective citizen voice and public accountability often leads to greater efficacy in government action and a more efficient allocation of resources. More fundamentally, open governance systems are more likely to generate responsible and responsive government and thus adopt pro-poor public policies. Kaufmann, Kraay and Lobaton (1999) show that these various aspects of good governance are significantly associated with income levels in the expected manner. Effective democratic institutions, rather than their mere formal existence, are thus key in the dispensation of economic development.

Dollar and Svensson arguments highlight the importance of democratic governance institutions in the process of economic development. They argue that for economic development to take place effective governance institutions that are responsive

to the needs of the people must be put in place. However, the arguments of these two scholars don't point directly to the Zambia situation. Therefore, this research established what the World Bank and the UNDP have been doing to establish governance institutions in the quest to develop Zambia. It also established the extent to which the bank and the UNDP have reached in creating institutions of good governance in the country.

Makinda (2003), in "Reclaiming Democracy for Africa: Alarming Signs of Post-Democratic" noted that one of the important threats to democratic governance emanates from donors. It is mocking that external authorities, including the International Monetary Fund and the World Bank, interfere in the governance of African states with a view to rooting out corruption and encouraging what they call 'good governance'. These organizations have good motives, but quite often their prescriptions do not take into account the values, hopes and aspirations of the people. In African democratic systems, the citizens may theoretically possess civil and political rights, but in reality they lack the power and influence that ordinary people exercise in a developed country. This situation can be reversed only if the African people reclaim their democracy. Reclaiming democracy requires that political leaders appreciate the significance of consent, accountability and popular participation. The African people can reclaim democracy only when it is they, rather than external authorities, that hold their governments accountable.

This paper presents how practically governance in Africa has been promoted. It shows that it is mainly in the interest of the external authorities and not for the interest of local people. Despite this observation, this literature focuses on Africa generally. It could be possible that the situation may be slightly different in Zambia. Therefore, there was need to have a similar survey particularly in Zambia.

Some of the constraint to democratization noted by Austin (1995) and now extensively recognized and written about by other scholars, was democracy's promise of delivering material wealth. It is increasingly demonstrated by events on the ground that democracy was desired in non-democratic societies not only for its intrinsic value – basic freedoms, rights and security – but also equally importantly for its instrumental value – material promise. Democracy promised for those in non-western societies to deal with economic malfunctions in policy, to create opportunities for investment and growth, to provide more jobs and improve income and reduce poverty. After a decade of two

concurrent processes of democratization on the one hand and economic reform on the other, neither democracy nor development appears to be reaching most of the people in new and restored democracies. The countries of Africa, Asia and Latin have in general and at least on the surface to have taken major political and economic reform measures. In many of these countries the economy has generally been liberalized, the private sector is encouraged and public sector reforms have created new openings for the private sector to play its role side by side with the public sector. However, Unemployment, corruption erosion of income, poverty and disease remain major threats to both political and economic stability in the countries of sub-Saharan Africa and regions outside developed economies. In some respects these problems represent the failures of the political system to respond and accommodate the political needs of their diverse populations. The electoral systems, constitutions and local government regimes in many of these countries still do not reach out to the political and social minorities. At another level, the problem of democratization in developing countries has a lot to do with the failure of development.

Though Austin highlighted a number of things concerning the process of democratisation and governance as influenced by the international community, the focus was not particularly on Zambia but generally on sub-Saharan Africa. This left room for research on democracy and particularly on good governance in the country as promoted by the Bank and the UNDP.

According to the UNDP Human Development Report (2002), good governances advance sustainable development for three reasons. First, enjoying political freedom and participation in the decisions that shapes one's life are fundamental human rights. In those African countries where leaders are not elected or selected by election (for instance Libya during Gaddafi), or where are flawed (Zimbabwe, for example), choices are severely restricted. The denial of these rights is a denial of human development. Second, good governance helps to protect people from economic and political catastrophes such as famine and other crises. There is a direct correlation between bad governance and famine, for example, some countries in East Africa. In other words, those countries frequently suffering from famines in Africa tend not to have good governance. Third,

good governance can promote sustainable development by empowering citizens to influence policies that promote growth and prosperity and which reflect their priorities. This report by UNDP brings out the importance of good governance in the development of human capacity. The report illustrates some countries where bad governance has been exhibited and how it has been a hindrance to human development. Thus in view of this literature, for human development to be attained, mechanism that upholds good governance must be put in place. However, though this report is significant to this study, it is more like an overview on governance in Africa. It neither illustrates exactly how UNDP has been promoting good governance in Africa nor does it address how the institutions have been promoting governance particularly in Zambia. Above all it leaves out the World Bank which is another institution under study on this subject of governance. In this case a more precise study needed to be undertaken addressing how governance has been addressed in Zambia by both the World Bank and the UNDP.

The research by Jones and Hardstaff (2005) reveals how multilateral institutions have been failing to promote governance that reflects the values of the people. According to their study, parliaments are a critical part of the democratic process. They form a link in the chain between citizens and the executive and thus perform the vital function of holding the executive to account on behalf of the electorate. Parliaments are where policies are debated, scrutinized, refined and sometimes reversed. If democracy is to flourish, the participation of parliamentarians in this process is essential. In IMF and World Bank programmes, whether SAPs and ESAF in the past, or the current PRGF, and HIPC, parliaments are continually ignored. The programmes are created in untransparent meetings between the IFIs and Finance Ministries and Central Banks and once they have been decided, parliaments are told to pass legislation or risk donor funding being withdrawn. On occasions when parliaments do resist the legislative agenda that originates with the IFIs, they are often made to back-down due to the need to stay on-track with IFI programmes and secure further development finance.

As well as the absence of discussion on economic policies, lack of parliamentary involvement and speed of the process, many other factors have influenced the level of participation in the process. One common complaint from civil society groups has been that the consultations have consisted primarily of publicizing and explaining policies,

rather than allowing the process to influence what is contained in the PRSP. Other common problems include a lack of involvement of poor people and a failure to use indigenous languages. In Zambia, for example, concerns have been expressed that the workshops did not allow for genuine participation. The Catholic Commission for Justice and Peace have commented, “The PRSP consultation process needs to go further than the formal ‘workshop’ type of consultation to more participatory ones.”

This research by Jones and Hardstaff reviews important information for the success of this study. The two scholars highlight how multilateral institutions have been neglecting the parliament which is one of the important sectors in policy formulation hence undermining good governance. Though multilateral institutions advocates for good governance among partner countries, literature indicates that actually multilateral institutions sometimes undermines it. Nonetheless this research was more of a survey among developing countries. It was not precise on Zambia and as such it didn’t review detailed information concerning the Zambian parliament and multilateral institutions. In this regard, there was need to conduct a similar research with focus on Zambia, the UNDP and the World Bank.

According to Maldonado (2010), in his article in titled ‘The World Bank’s Evolving Concept of Good Governance and its Impact on Human Rights’ argues that in the 1980s, the economic performance of the countries in sub-Sahara had worsened despite the implementation of the Bank’s structural adjustment programs (SAP’s). The SAP’s introduced conditionality on a macroeconomic level into the Bank’s lending activities. At the same time, the Bank changed its lending policy from project financing to program financing. In the 1989 study the term “governance” was first used to describe the need for institutional reform and a better and more efficient public sector in Sub-Saharan countries. The former president of Senegal, *Abdou Diouf* summarised these findings: “Africa requires not just less government but better government”. The Africa-study defined governance as “the exercise of political power to manage a nation’s affairs”. The concept of governance was further developed in the Bank’s 1992 publication “Governance and Development”. In this publication, governance was defined as “the manner in which power is exercised in the management of a country’s economic and social resources for development”. Two years later, the Bank substantiated this

definition: “Governance is epitomized by predictable, open, and enlightened policymaking (that is, transparent processes); a bureaucracy imbued with a professional ethos; an executive arm of government accountable for its actions; and a strong civil society participating in public affairs; and all behaving under the rule of law”. More than 20 years later, these definitions still represent the basis of the Bank’s perception of good governance.

Maldonado’s study is important to this study as it gives a good background of how good governance was introduced in Africa. The study indicates clearly how important the practice of good governance is in the process of economic development, hence the emphasis by the multilateral institutions such the UNDP and the world bank. However, the information is not precise on how good governance was introduced in Zambia and how it has really been implemented by the Zambian government as supported by the Bank and the UNDP. In this regard, this study established clearly how good governance was introduced in the country, the logic behind it and to what extent it has been archived in Zambia as supported by the two multilateral institutions.

Two similar reports that were released say that democracies in the developing world are being imperiled by the very organizations chartered to help them. The reports, by the Global Antipoverty Agency, Action Aid International, are based on a comprehensive analysis of existing research and in-depth frontline fact-finding in thirteen developing nations. They find that the democratic process has been severely impaired by World Bank and IMF policies, which effectively take decisions about public resources and services out of the hands of governments and away from the people who elect them. Instead, poor countries wishing to obtain international aid are often required to override the demands of their citizens, limiting public spending on education and health, and privatizing their most important assets, such as such as utilities and water. Countries that fail to meet their donor's demands are at serious risk of losing their standing before the international community. As a result, many nations are left with little ability to make decisions regarding their own economic policies.

The two reports by the two international organizations Global Antipoverty Agency and Action Aid International review considerable information on some of the weaknesses of the World Bank together with its partner organization the IMF in their

promotion of governance. In spite of the fact that the World Bank is one of the organizations that promote good governance around the world, it seems to be undermining good governance and democracy in some instances as reviewed by the two reports above. Although, the two reports give this rich information about the bank and governance, there are some gaps in the report as regards to the objectives of this study. The reports produced are based on a survey study as opposed to this research which is more of a case study. In addition, the information from the research was not only from Zambia but also from other countries. Therefore, there was need to conduct this research which is precise on Zambia and taking a case study approach.

From the literature reviewed, it seems clear that although multilateral institutions promote good governance, there are some challenges that are associated with their governance programmes. For instance, most of the literature indicates that multilateral institutions have undermined the views of the local people in the implementation of their governance programmes. In addition, this literature concentrates on the World and the IMF and governance programmes under SAPs. It does not establish the extent to which both the World Bank and the UNDP have promoted good governance in Zambia, which is the gap that justifies this study.

## **1.8 Methodology**

### ***1.8.1 Study design***

The research design used in this study was a case study. A case study was used in this research because it facilitated for an in-depth qualitative analysis of the findings based on the objectives. In this case, the study focused on describing and explaining how attempts at promoting good governance have been made by the World Bank and the UNDP in the country.

### ***1.8.2 Sampling method***

The study used Purposive Sampling to establish its findings because it has a strong internal validity. External validity was overlooked because the study used a case study research design which does not require the findings of the study to be generalized. This sampling method was used because of the nature of the study which required qualitative

data from precise sources. Therefore, using this sampling method, key informants from the UNDP, World Bank, selected civil society organizations, UNZA, Cabinet Office, Ministry of Justice, the Electoral Commission, Human Rights Commission, the Parliament and the Decentralisation Secretariat were identified to help with the generation of the required qualitative data.

### ***1.8.3 Sample size***

For the purpose of qualitative data, information was collected from 18 key informants from the following institutions:

- 2 key informants from the two multilateral institutions, the World Bank Public Sector Management Specialist and UNDP Head of Governance Unit;
- 4 informants from selected civil society organizations in governance. The Executive Director from the Foundation for Democratic Process (FODEP), the Programmes Manager from Jesuit Center for Theological Reflection (JCTR), the Programmes Manager from Southern African Center for Conflict Resolution and Disputes (SACCORD) and another Programmes Manager from Transparency International Zambia (TIZ);
- 3 key informants from the University of Zambia who are Senior Lecturers from the Department of Political and Administrative Studies and;
- 9 key informants from government institutions. The Director and the Performance Management Analyst from Cabinet Office, the Monitoring and Evaluation Officer from the Ministry of justice, the Project Manager and Senior Elections Officer from Electoral Commission, the Director and the Research Officer from Human rights Commission, the Programmes Officer from the National Assembly and the Assistant Director from the Decentralisation Secretariat.

### ***1.8.4 Data collection***

Both primary and secondary qualitative data was collected.

#### ***1.8.4.1 Primary data***

Primary data was collected using research guides administered to key respondents from the following institutions; the World Bank, the UNDP, JCTR, SACCORD, FODEP, Cabinet Office, the Electoral Commission, Human Rights Commission the National Assembly and the Decentralisation Secretariat. Key respondents from the Bank and the UNDP provided specific work of the institutions that is linked to the promotion of good governance in Zambia. Civil society organizations and government institutions established how the support from the two institutions has helped them to promote good governance and to what extent this has been done. Primary data was also collected from memoranda and unpublished reports from the above organisations.

#### ***1.8.4.2 Secondary Data***

The World Bank provided reports on FILMUP, PSCAP and the PSMP. The UNDP provided reports on the Expenditure of the 2005 to 2011 electoral activities. The Human Rights Commission assisted with annual reports and strategic plans. The Decentralisation Secretariat offered the decentralisation policy and the Implementation plan. The National Assembly helped with some reports and some books. Secondary data was also collected from articles, previous research findings, books, journals, internet and other sources of reliable information.

#### ***1.8.5 Data Analysis***

Data was analyzed using content analysis method as it was qualitative in nature. This was done by carefully going through the interviews and secondary data to identify information that answered the research questions. This facilitated for in-depth analysis of good governance in Zambia as influenced by multilateral institutions particularly the World Bank and the UNDP.

## References

Al-Jurf, S. (1999). "Good Governance & Transparency: Their Impact on Development," Source: [http://blogs.law.uiowa.edu/ebook/sites/default/files/Part\\_2\\_5.pdf](http://blogs.law.uiowa.edu/ebook/sites/default/files/Part_2_5.pdf) . Accessed on 07/06/2011

Brown, S. (2005). "Foreign Aid and Democracy Promotion: Lessons from Africa," *The European Journal of Development Research*, Vol.17, No.2

Carothers, T. (2006). *Confronting the Weakest Link: Aiding Political Parties in New Democracies*, Washington D.C: Carnegie Endowment for International Peace.

Carothers, T. (2010). "The Elusive Synthesis", *Journal of Democracy*, Vol. 21, No. 4

Gewald, J.B. (2008). *One Zambia, Many Histories*, Brill: Holland.

Government of Zambia (2002). *National Decentralisation Policy*, Ministry of Local Government and Housing: Lusaka.

Government of Zambia (2009). *Zambia State of Governance Report*, Ministry of Justice: Lusaka.

Human Rights Commission (2008). *State of Human Rights Report*, Human Rights Commission: Lusaka.

Huntington, Samuel .P. (1991). "Political Development as Democratization," Danziger James N. (editor), *Understanding the Political World: Comparative Introduction to Political Science*. Pearson education, Inc.

Ihonvbere, J.O. (1991-1996). "The Crisis of Democratic Consolidation in Zambia" source: <http://civilisations.revues.org/index1570.html>. Accessed on 10/03/2011

Jones, T. and Hardstaff, P. (2005). "Denying Democracy: How the IMF and World Bank take Power from People." Sources: Jones and hardstaff siteresources.worldbank.org. Accessed on 14/04/2011

Kiragu, K. and Mutahaba, G.R. (2005). *Public Service Reforms in Eastern and Southern Africa; Issues and Challenge*. Mkuki na Nyota publishers:Tanzania.

- Lynas, M. (1999). "Structural Adjustment – Effects in Zambia: Africa's Hidden Killers." <http://www.converge.org.nz/pma/apzamb.htm>. Accessed on 11/04/2011
- Makinda, S. M. (2003). "Reclaiming Democracy for Africa: Alarming Signs of Post-Democracy." Source: [www.uneca.org/.../Reclaiming%20democracy%20for%20Africa](http://www.uneca.org/.../Reclaiming%20democracy%20for%20Africa). Accessed on 10/03/2011
- Maldonado, N. (2001). *The World Bank's Evolving Concept of Good Governance and its Impact on Human Rights*, Stockholm: Sweden.
- Mansbach, R.W. (1994). *The Global Puzzle: Issues and Actors in World Politics*, Houghton: Mifflin Company.
- Oxford Policy Management (2008). *Evaluation of Norwegian Development Support to Zambia (1991-2005) Evaluation Report*. Source: <http://www.norad.no/en/Tools+and+publications/Publications/Publication+Page?key=109733>. Accessed on 08/08/2012
- Rakner, L. (2012). "Foreign Aid and Democratic Consolidation in Zambia," *Working Paper No. 2012/16*.
- Santiso, C. (2001). "Good Governance and Aid Effectiveness: The World Bank and Conditionality," in *Georgetown Public Policy Review*, Vol. 7, No. 1
- Simutanyi, N. (1996). "The Politics of Structural Adjustment in Zambia," *third world quarterly*, Vol. 17, No. 4. Sources: [www.nodo50.org/cubasigloXXI/congreso06/conf3\\_simutanyi.pdf](http://www.nodo50.org/cubasigloXXI/congreso06/conf3_simutanyi.pdf). Accessed on 28/10/2012
- UNDP (1997). *Governance Policy: Governance for Sustainable Human Development*, UNDP: New York, USA.
- UNDP (2002). *Human Development Report*, UNDP: New York, USA.

Woodroffe, J. and Ellis-Jones, M. (2000). "States of Unrest: Resistance to IMF Policies in Poor Countries" source: [www.hartford-hwp.com/archives/25/089.htm](http://www.hartford-hwp.com/archives/25/089.htm). *Accessed on 29/10/2011*

World Bank (2001). "Promoting Good Governance with Social Funds and Decentralization", number 5. Source: [openknowledge.worldbank.org](http://openknowledge.worldbank.org) *Accessed on 21/06/2011*

World Bank (2006). "Demanding Good Governance in Anglophone Africa" Source: [www.worldbank.org/.../FINAL%20SAcSynthesisPaper5-19-06,clean.doc](http://www.worldbank.org/.../FINAL%20SAcSynthesisPaper5-19-06,clean.doc) *Assessed on 21/06/2011*

World Commission on Environment and Development (1987). *Our Common Future*. Source: [www.un-documents.net/our-common-future.pdf](http://www.un-documents.net/our-common-future.pdf) *Accessed on 29/10/2011*

<file:///C:/Documents%20and%20Settings/PAS/My%20Documents/IMF%20and%20World%20Bank%20MA%20data/struggle-democracy.htm>. *Accessed on 13/05/2011*

<http://civilisations.revues.org/index1570.html>. *Accessed on 13/05/2011*

[http://eeas.europa.eu/delegations/zambia/projects/list\\_of\\_projects/20975\\_en.htm](http://eeas.europa.eu/delegations/zambia/projects/list_of_projects/20975_en.htm). *Accessed on 13/05/2011*

## **CHAPTER TWO**

### **THE CONTEXT OF THE ROLE OF THE WORLD BANK AND THE UNDP IN ZAMBIA**

#### **2.1 Introduction**

This chapter aims at establishing the context of the role of the World Bank and the United Nations Development Programme (UNDP) in the promotion of good governance in Zambia by discussing the role of the two institutions in Africa and their intervention in the social, economic and political affairs of Zambia. This chapter is important to this study as it gives an overview of the programmes of the two institutions in Zambia and in Africa at large thereby establishing a framework of the specific governance programmes promoted by the two institutions in the country which are discussed later in the next two chapters three and four.

Both the World Bank and the United Nations Development Programme are part of the United Nations (UN) system. The United Nations was established in 1941 when the Second World War came to an end to fostering peace and stability around the globe. In so doing it has extended agencies addressing different programmes. The UNDP and the World Bank are such agencies. The UNDP was established in 1965, when two United Nations agencies; the Expanded Programme of Technical Assistance set up in 1949 and the Special Fund set up in 1958 were merged by decision of the General Assembly. In this case, the UNDP works under close supervision of the UN (UNDP Governance Policy, 1997). The UNDP is funded by bilateral partners. The top UNDP executive consists of the administrator and the co-administrator and their staff. Their decisions on development activities are subject to approval and control of the governing council which consists of 37 representatives from both donor and recipient countries and the Inter-Agency Consultative Board (Gitelson, 1970). On the other hand, the World Bank was established at a 1944 conference at Bretton Woods, New Hampshire (Mansbach, 1994). As opposed to the UNDP, the World Bank is autonomous from the UN supervision although its operations are guided by its principles. The Bank offers loans that support for economic and political reforms (Gordon, 2010). The World Bank is made up of the International Development Association (IDA) and the International Bank for Reconstruction and Development (IBRD). The general operations of the Bank are a

responsibility of the Board of Executive Directors and the President who serves as chairperson of the Board. Together they oversee the work of the Bank on a daily basis and perform their duties under powers delegated to them by the Board of Governors. The Board of Governors is made up of shareholders from 187 member countries who are the ultimate policymakers at the Bank.

## **2.2 The UNDP and the World Bank Programmes in Africa**

This section puts into context the UNDP and the World Bank programmes in Africa. The section starts by looking at the UNDP programmes thereafter it focuses on the World Bank programmes in the continent.

During the past two decades, governance has become a key concept in the international development debate and policy discourse. In Africa, where there has been an historical record of bad governance, improving the governance environment has been given a central place in the agenda of multilateral institutions in addressing development challenges that the continent is facing (Adejumobi, 2000). The UNDP is among many other multilateral institutions whose work on governance for development has been substantial to Africa. According to the UNDP country programme 2007 to 2011, UNDP projects were being implemented in 170 countries by 1983 covering nearly the entire economic and social spectrum-from industry to health, education, economic planning and public administration. Just like other multilateral institutions, it is championing sustainable development based on the practices of good governance such as rule of law, human rights, decentralization, free and fair elections and the fight against corruption. The UNDP Democratic Governance practice is the largest practice worldwide. Support to governance in Africa builds on the long United Nations tradition of governance support and focuses on three key areas outlined in UNDP's Strategic Plan namely:

- Enhancing participation and civic engagement in public affairs (political and economic);
- Strengthening capacity, responsiveness, and effectiveness of the state as a whole;
- Ensuring that national policies, processes and institutions are founded on democratic governance principles namely gender equality, anti-corruption and human rights.

UNDP primarily provides policy, programming and technical support directly to programme countries and to regional institutions such as the African Union and regional economic communities in Africa. Through its strategic partnership with the Economic Commission for Africa and the African Development Bank, UNDP has provided key support to the NEPAD Secretariat in developing the conceptual framework, institutional set-up and processes governing the Africa Peer Review Mechanism (APRM). UNDP established an APRM Trust Fund in 2005 and provided a contribution to the Fund together with other partners including Algeria, Canada, Lesotho, United Kingdom and Senegal ([www.undp.org/governance](http://www.undp.org/governance)).

Since the early 1990's UNDP has collaborated closely with the United Nations Centre for Trade and Development (UNCTAD) to help countries strengthen institutional capacity to deal with the increasingly complex international trade system, develop export production capacity and increase supply. Such activities are intricately linked with the achievement of macroeconomic stability, and many UNDP interventions in trade-related projects are coupled with programmes to strengthen macroeconomic management generally. The recently-approved Regional Project on Africa Trade exemplifies many of these activities in its efforts to build capacity for trade and development in Africa. The project aims to increase the knowledge of African states in rules of trade and investment through training and access to information. Efforts are also directed at strengthening the capacities of national governments, inter-governmental organisations, businesses, and civil society to formulate trade and foreign investment strategies, as well as direct support to private firms (Governance for Sustainable Human Development Report, 1997). As result of these trade agreements, emphasis is being put on market-based economic models meaning that UNDP has also been giving greater attention to bringing business and government together in the policy development process. Small- and medium-scale enterprises (SME's) and the informal sector are recognised, for example, by the government of Nigeria as being important vehicles for achieving the objectives of Nigeria's industrial policy (ibid). In matters of employment generation, improved technological skills, increased local content of manufactured products, more equitable income distribution, and increased foreign investment, SME's have obvious roles to play.

To archive economic development adequately, the UNDP believes that there is need to make the public service more effective as it is the engine for sustainable development in any country. The UNDP-assisted project for Strategic Management of the Public Sector in Tanzania illustrates the complexity of civil service reform programmes and the necessity to address capacity for macroeconomic, financial, and social issues. In 1991 the Tanzanian government decided to take appropriate measures to improve the management of the public service. Reductions in the size of the service had previously been made in 1986, with 1,200 employees being shed and new employment frozen except for teachers and health care workers. However, 16,000 ghost workers were discovered on the government payroll in 1988, and measures then had to be put in place to ensure up-to-date payroll data. Tanzania's efforts since 1991 have centered on determining the optimal size of the civil service and identifying adequate remuneration packages for civil servants that are competitive but still within the government's financial resources. The Tanzanian case points to the necessity of a careful review of the economic benefits of the reduction exercise to ensure that the savings accruing to the government from reducing staff outweigh the costs of the exercise, not only in terms of implications for pension schemes and the financing of severance packages but also in terms of their social consequences. Criteria for the selection of staff to be released must be open and transparent, and severance packages must be adequate (UNDP Human Development Report, 2002).

According to the UNDP Human Development Report (2002), electoral process can be subverted by fraud if not adequately supported. Numerous elections have been contested by opposition candidates charging fraud and irregularities. In 1997 Cameroonian president Paul Biya was reelected with 93 percent of the votes but the three main opposition parties had boycotted the election and the government had dismissed demands for an independent electoral commission. Too many other elections have been similarly marred; among others Chad in 2001, Zimbabwe in 2002 and Madagascar in 2002 (UNDP Human Development Report, 2002).

In view of the above, UNDP has been supporting African countries to conduct successful elections through its support towards electoral commissions. These included countries emerging from conflict such as Burundi, DRC, Liberia, Rwanda and Sierra Leone. It has helped to establish or maintain successful human rights institutions in

Tanzania, Uganda, Ethiopia, Sierra Leone, Liberia, Rwanda, Burundi and others. In addition, UNDP has supported the biennial publication of the African Governance Report (a flagship publication on the state of governance in Africa) which is led by the Economic Commission for Africa. UNDP recognizes the need to shift from providing support for elections to support the entire electoral cycle. Electoral support projects developed or implemented in 2009 have adopted this approach. In Malawi for instance, UNDP has engaged in building the capacities of the institutions in charge of managing elections between elections and helped the Electoral Commission to computerize voter registries, enabling 94% of eligible voters register to vote, resulting in a voter turnout of 74% of all registered voters, as compared with 59% in 2004. UNDP has also been helping African countries to strengthen women's participation in public office. In Burkina Faso parliament passed a law on quotas that states that any municipal and parliamentary election must involve at least 30% of male or female candidates. In Togo and Malawi more women candidates were trained on campaigning and financing techniques for elections than ever before. In all these instances UNDP was able to lobby to increase the number of women in public as well as enhancing their leadership (UNDP Human Development Report, 1997).

According to the UNDP Human Development Report (2006), the institution supports one in three national parliaments around the world; helps national and local administrations deliver basic services, fosters open dialogue between communities and local governments, and legal systems that work for all. In Sri Lanka, democratic dialogue has been strengthened through consultations between community organizations and local governments. This has enhanced state accountability, which in turn helps to consolidate peace-building efforts internally. For the January 2011 Southern Sudan Referendum, UNDP, through the UN Integrated Referendum and Electoral Division, managed donor funds of more than US\$56 million in international assistance, procured 3,160 registration kits, 7.5 million ballots and 8,500 polling booths, and delivered polling materials via commercial trucks, helicopters and air drops. UNDP also supported voter education and media training, and deployed more than 500 domestic observers to 62 counties during the voter registration period.

For all UN agencies, the observance of human rights is a fundamental part of their mandate and programming efforts. For UNDP, human rights are central to the concept of sustainable human development and therefore an important aspect of any governance programme. Indeed, the two international legal instruments upon which sustainable human development is founded - the 1948 Universal Declaration of Human Rights and the 1986 International Covenant on Economic, Social and Cultural Rights and Declaration on the Right to Development - formally link human rights with development. In this regard, UNDP has devised a policy on human rights to guide its work with national governments. Human rights and sustainable human development are mutually dependent and reinforcing. Human rights are embedded on the promotion of rule of law. UNDP's engagement in rule of law and access to justice has expanded considerably during the last several years managing a combined portfolio of \$140 million. The portfolio reach is comprehensive - implementing initiatives that support rule of law and access to justice across some 90 countries. In Ethiopia, UNDP has supported projects that strengthen women's inheritance and property rights. These programs were integral in instigating the revision of the Family Code of Ethiopia which now amended, includes terms that provide women individual rights on the same terms as men, including equal marital and divorce rights. In the Amhara region too, progress is visible, with local laws now requiring photographs of both the husband and wife on the land title. Strengthening women's legal position in these areas is also an important and effective means to decrease poverty and accelerate progress towards the Millennium Development Goals (UNDP Human Development Report, 1996)

Beginning in the late-1970s, the Bank's mission has been to help third world countries with concessional loans on conditionality basis. Structure Adjustment Programmes (SAPs) have been implemented to encourage the governments of developing countries to pay back debts to the World Bank and in the process become part of the global economy. SAPs are implemented as part of the conditions for loans given by monetary lenders including the World Bank. Lenders require that governments take steps that are intended to increase their gross domestic products. Governments must focus on increasing exports, decreasing spending on social programs, and privatizing public services such as water and electricity.

The global rise of neo-liberalism compounded by the rise in oil prices of the 1980s left many developing countries no option but to adopt IMF-World Bank structural adjustment programmes or SAPs. The past two decades of World Bank and IMF structural adjustment in the continent have led to greater social and economic deprivation and an increased dependence of African countries on external loans. The failure of structural adjustment has been so dramatic that some critics of the World Bank and IMF argue that the policies imposed on African countries were never intended to promote development. On the contrary, they claim that their intention was to keep these countries economically weak and dependent. The most industrialized countries in the world have actually developed under conditions opposite to those imposed by the World Bank and IMF on African governments. The U.S. and the countries of Western Europe accorded a central role to the state in economic activity, and practiced strong protectionism, with subsidies for domestic industries (Shivji, 2003).

Under World Bank programmes, African countries have been forced to cut back or abandon the very provisions which helped rich countries to grow and prosper in the past. Even more significantly, the policies of the World Bank have impeded Africa's development by undermining Africa's health. Their free market perspective has failed to consider health an integral component of an economic growth and human development strategy. Instead, the policies of these institutions have caused deterioration in health and in health care services across the African continent and other developing countries in general. African countries require essential investments in health, education and infrastructure before they can compete internationally. The World Bank and IMF instead required countries to reduce state support and protection for social and economic sectors. They insisted on pushing weak African economies into markets where they were unable to compete with the might of the international private sector. These policies further undermined the economic development of African countries (Calgan, 2002).

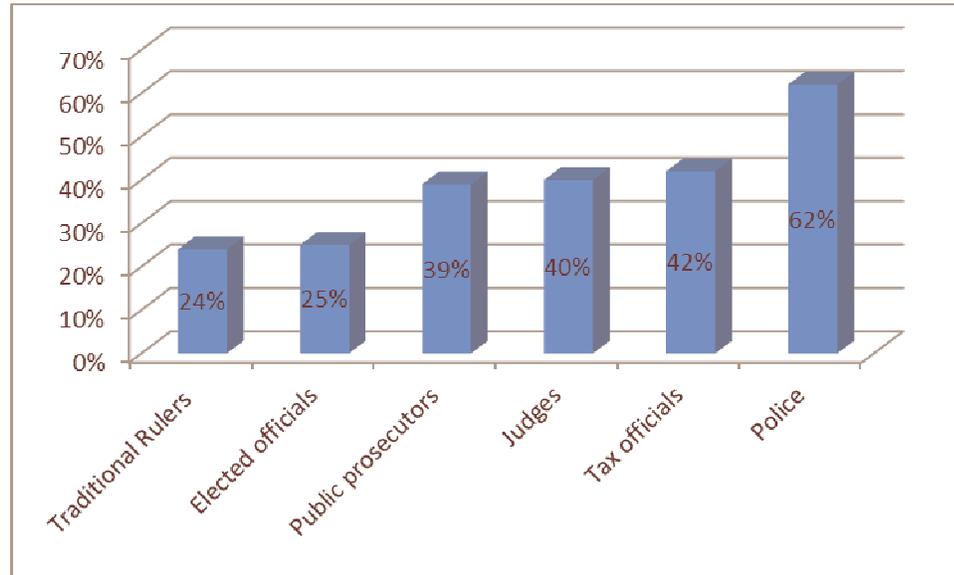
The deterioration in living conditions caused major criticism from civil society, academia and poetical analysts around the world. The criticisms that were being levied against the SAPs in Africa were in fact adding to the mounting international rejection of the reform policies that were being described as not only disruptive but inappropriate and anti-developmental. Among the notable critics of SAPs is Joseph Stiglitz, formerly chief

economist of the world bank (1997-2000), who severely criticized the world bank-IMF policies as serving the needs of global finance rather than the needs of global stability by encouraging premature internal and external liberalization (Thirwall, 2006: 603). Furthermore, it has been argued that Structural Adjustments encourage corruption and undermine democracy. As Pettifor (2002) note, top-down “conditionality has undermined democracy by making elected governments accountable to Washington-based institutions instead of to their own people.” The potential for unaccountability and corruption therefore increases as well.

These criticisms led the Bank and the IMF to attribute the failure of SAPs to weak political systems of Third World Countries. After the failure of SAPs, the Bank is now emphasizing on democracy and “good” political governance in Third World Countries for sustainable development. It incorporates a commitment by leaders in these countries to create and consolidate basic processes and practices of governance that are in line with the principles of transparency, respect for human rights, promotion of the rule of law, accountability, and integrity; support initiatives that foster good governance; respect for the global standards of democracy, including political pluralism, multiparty politics, the right of workers to form unions, and fair and open elections organized periodically. Liberals believe such a system promotes effective use of aid, thus it has high possibilities of transforming a country from being underdeveloped to being developed.

However, despite this move by the Bank towards emphasis on good governance, the governance practices and institutions in third world countries leaves much to be desired. In Africa for instance, the conduct of elections has been associated with malpractices and manipulation of result. In Rwanda for instance elections were perceived not to be free and fair. Paul Kagame, the re-elected president was accused of suppressing the media to investigate his allegations concerning his prevention of stronger opposition political parties to participate in elections. Another vice that has greatly undermined good governance in developing countries is corruption. Corruption is high in most developing countries. Major scandals involving government officials and business men seem to occur with increasing frequency in many third world countries. Figure 1.2 below illustrates the perception of the public on corruption among government officials in Sub-Saharan Africa.

**Figure 2.1 Household survey responses on public officials likely to take bribes (sub-Saharan cross-country average)**



**Source: Economic Commission for Africa (ECA)**

According to Transparency International (2003), an NGO that measures levels of corruption in more than one hundred countries, 22 of the 30 most corrupt countries are in the global south. It is argued by liberals that widespread corruption demoralizes the population and drains productive energy from the political economy. In 1999, these disreputable SAPs underwent a transformation following criticism of their content and undemocratic nature. At the 1999 annual meeting, the Enhanced Structural Adjustment Facility (ESAF), responsible for providing loans to up to 80 countries, was renamed the Poverty Reduction and Growth Facility (PRGF). In addition, Poverty Reduction Strategy Papers (PRSPs), which were drawn up in consultation with the civil society, were introduced to meet fears that governments lacked 'ownership' of SAPs. But early evidence suggests that PRGF conditions are almost identical to the old ESAF conditions, and that PRSPs will closely resemble SAPs. The names may have changed but the economics has stayed the same. For countries outside the remit of the PRGF, the Bank remains as inflexible as ever. Loans from the World Bank are always conditional on the implementation of structural reforms, and countries seeking the Bank's international 'seal of approval' are always 'encouraged' to continue with SAP-style policies. All these policies hurt the poor. Developing countries have few choices - either implements

policies ill-suited to their country or risk economic isolation. Most governments, seeking to retain power and be accepted internationally, choose the World Bank over their own people (Woodroffe and Jones, 2000).

Alongside PRSPs, the World Bank has a mission to help developing countries archive the Millennium Development Goals (MDGs). The MDGs are a set of time-bound and measurable targets for combating problems including poverty, hunger, disease, environmental degradation and discrimination against women adopted by world leaders at the September 2000 UN Millennium Summit. The MDGs are now at the heart of the global development agenda. For each goal, one or more targets have been set, mostly for 2015, using 1990 as a benchmark. Indicators have been identified to measure progress against each target. Each goal, with their respective targets and indicators, needs to be adjusted according to the specific country context. The Goals are clearly achievable. Some have even argued that they are not in fact millennium, but ‘minimum’ development goals. Individual Goals have already been achieved by many countries in the space of only 10-15 years. However, some argue that it’s not easy to notice the achievements of the MDGs in some third world countries because of extreme levels of poverty. (<http://www.adb.org/poverty/mdgs.asp>).

Despite this seemingly unfair relationship that prevails between the World Bank and many African countries, the relationship between the two partners is Cordial. This is basically because of the dependency syndrome characterizing many African countries of which Zambia is not an exception. Many African countries are dependent on aid from the World Bank and other donor agencies from the west. In this regard it is very difficult for these countries to run their economies independently without the interference of the donors. Therefore, whatever these donors prescribe as remedy for economic crisis, African countries accept such prescriptions mainly because of the need to access aid. The only way that African countries can get away from this critical situation is through strengthening south to south relations. This is a relationship that could be even in terms of promoting development as most countries in the south (third world countries) have undergone similar conditions in the past such as being victims of slave trade and also colonialism.

### **2.3 The UNDP and the World Bank Programmes in Zambia**

This section puts in context the general programmes of the UNDP and the World Bank in Zambia. It establishes what the two institutions have been doing in general in the country. Therefore this section in essence seeks to provide a context for the specific governance programmes discussed in the next two chapters. Specifically the chapter looks at the UNDP grant programmes in the country followed by the World Bank loan programmes and critics that have been raised against them.

According to the UNDP Report (1996) the institution has been present in Zambia since November 1965. By 1970, with the restructuring of UNDP, the cooperation between the UNDP and Zambia intensified through the new five-year Country Programme Cycle tailored to meet Zambia's development challenges. Today, the UNDP's presence and activities in Zambia are defined in the Standard Basic Assistance Agreement signed in 1983, which outlines the general conditions for UNDP cooperation under which all UNDP programme activities are carried out in Zambia. The UNDP was tasked in the early days of cooperation in Zambia to support the new nation in developing its capacity to plan and manage its affairs. In this regard, the UNDP supported the development of the First and Second National Development Plans, which guided the formulation of national development strategies. In later years, UNDP worked together with other UN agencies to support feasibility studies of important projects. Working together with UN agencies like ICAO, UNIDO, UNV, UNESCO and development partners, UNDP was involved in the development of the Lusaka International Airport, the Zambia Stock Exchange, the Securities Commission, the development of local manufacturing capacity to produce intravenous fluids for hospitals, and the establishment of the Paramedical Training Centre ([www.undp.org/governance](http://www.undp.org/governance)).

Particularly, the UNDP governance activities are grouped into two major sub programmes: Economic Governance and Democratic Governance. Both of them are aimed at contributing to building an effectively managed and accountable apparatus of government. UNDP's Economic Governance programme in Zambia aims at supporting the Government to develop a national long-term vision. The vision outlines development targets for the year 2030 and serves as the foundation for National Development Plans. UNDP is supporting the Government in integrating the Millennium Development Goals

(MDGs) within the current national development Plan. In addition to regular monitoring of the progress towards the MDGs this includes a Needs Assessment that helps to determine the budgetary requirements, resources available and the financing gaps for the attainment of the Goals ministry (UNDP Assessment of Development Result in Zambia Report, 2006). UNDP is also supporting the Government to establish an electronic database for tracking aid flows into the country. The database will provide information on where (through GIS mapping); in what magnitude (commitments and disbursements); and over what duration development assistance has been provided. This will help the Government to determine the development gaps and implement strategies to address areas that require additional support. In addition, UNDP support is aimed at ensuring that modern Information Communication Technologies are installed within the Ministry of Finance and National Planning through the establishment of an internet backbone within the ministry (UNDP Assessment of Development Result in Zambia Report, 2006).

Under democratic governance, UNDP is implementing a wide-ranging Governance Programmes which aims at supporting and improving national policy making and implementation. This is being done through bringing government policies closer to local communities and supporting better policy formulation and practice in line with Government priorities. We also strive to ensure that commitment to democratic processes and human rights are included in Government policy and programming. UNDP Zambia is uniquely positioned to contribute to issues of good governance due to its strategic place in working with the Government to identify and progress common objectives. The organization is also contributing to governance in Zambia through bringing international and regional knowledge to national programming initiatives ([www.undp.org/governance](http://www.undp.org/governance)).

As indicated in the Country Programme (2011- 2015), the UNDP has continued to support the Zambian government in addressing national challenges in the areas of Democratic & Economic Governance, Environment and Gender. The programmes being implemented throughout the country together with the Government, the UN Family, Cooperating Partners (CPs), Civil Society Organisations and Communities at the grass root level work towards fulfilling the UNDP's mission – to build national capacity to help Zambia achieve the Millennium Development Goals (MDGs) by 2015 and assist Zambia

to become a middle-income country by 2030. Through these different partnerships, UNDP has supported the capacity development of the Electoral Commission of Zambia, supported the Constitutional Review Commission, the National Constitutional Conference, and the development of a National Gender Policy and Action Plan.

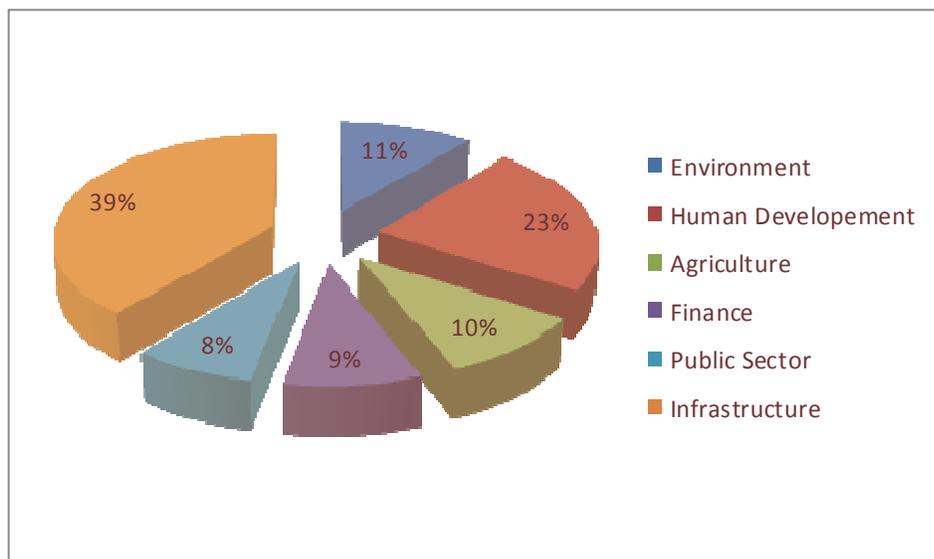
In order to deliver on the Millennium Declaration / Millennium Development Goals –pledge, UNDP Zambia works with a number of partners. For example UNDP is working with local communities of Lake Tanganyika, Mpulungu and Kapula districts to promote sustainable agriculture and forestry and tackle issues of over-fishing and sediment flows in the Lake Tanganyika Integrated Management Programme. The UNDP has always been part of the response to the HIV / AIDS epidemic in Zambia, from the mid-1980s and now working together with the Joint UN Team on AIDS to provide capacity development and technical assistance to respond to the epidemic to strengthen local institutions. UNDP contributes to the promotion of gender equality, women’s economic empowerment and ending gender based violence in Zambia. UNDP is also working closely to mitigate the negative effects of climate change by supporting the Climate Change Facilitation Unit to develop a national strategy to respond to climate change in Zambia (UNDP Report, 1997).

From the above discussion of the UNDP in Zambia, it is clear that the institution has taken a different approach from other multilateral institutions like the World Bank towards governance and sustainable development. Historically, international development agencies favoured allocating resources to highly visible projects and the production of glossy reports for public consumption. According to Murphy (2006), UNDP has taken a different approach to development by operating ‘behind the scenes’, effecting change for which it neither receives, nor seeks, recognition. UNDP’s willingness to work on development issues regardless of geopolitical or ideological considerations and to work closely with aid recipients to custom-design development plans has earned it the title of “the development programme of the developing countries.” The trust and respect developing nations grant the UNDP make possible the close working partnerships with governments and organizations so vital to the organization’s success in fostering sustainable development.

Despite good intentions and its position within the UN, however, the UNDP, like other development organizations, cannot completely ignore donor demands. Thus the institution has been criticized for working too closely with authoritarian governments or for supporting the austere measures of the World Bank and IMF such as structural adjustment programmes that have impoverished many people especially in Africa. In addition, UNDP has suffered from bureaucratic incompetence, inefficiency, and shortsightedness. These shortfalls of the institution have made its operations in some instances unsuccessful.

The World Bank's efforts in development programmes in Zambia can be traced back to the period when the country was a British colony. Zambia began to receive World Bank support in 1955, amounting to US\$ 4.6 billion for a total of 250 projects. As of June 30, 2008, there were 11 active projects in the Bank's portfolio with total net commitments of US\$372 million (<http://www.worldbank.org/en/country/zambia>) As summarized in figure 2.1, infrastructure accounted for 39 percent, the social sectors for 23 percent, with the remaining portfolio comprising initiatives aimed at improving the investment climate, environment and supporting public administration reform.

**Figure 2.2 the World Bank commitment as of 30th June 2008**



**Source:** <http://www.worldbank.org/en/country/zambia>

However, much of the support from the World Bank came after independence. In the early period following independence, the Zambian economy grew rapidly as a result of

high and rising copper prices which provided government with abundant revenues. These revenues were invested in industrial development, social services and physical and social infrastructure. Furthermore, much of the foreign dominated private sector was nationalized to create parastatal enterprises that carried out government sponsored activities. The government was, therefore, able to sustain a marked increase in employment and real wages in the formal sector, in general, and the public service in particular, as evidence of the benefits of political independence to the people of Zambia (IMF; IDA, 2000). Nevertheless, this growth was short-lived. The vast investments in industry, import substitution and job creation ventures could not fully redress entrenched socio-economic imbalances and dependency created prior to and during the period of independence. Beginning from the mid-seventies the Zambian economy began to decline. Copper production, the mainstay of the Zambian economy dwindled. This crisis led the Zambian government to sought resources from the international financial institution- the World Bank and the IMF. This marked the introduction of SAPs in the country. Among the conditionality for providing that aid were deregulating maize markets, limiting bank credits, removing tariff bans, initiating privatization and reducing the civil service.

The various measures undertaken by government as recommended by the World Bank to reduce the size and improve operational performance of the public service were not only piecemeal but did little to reduce or halt the expansion of the public service and its burden on the government. This failure to truly reform the public service continued to have a devastating effect on the growth of the national economy. For instance, the annual inflation rate averaged 100% over the period between 1984 and 1991; the national currency continued to slide down every day. Real income and employment opportunities were considerably reduced, while private sector enterprises become largely moribund. The reform package created widespread disgruntlement which took the form of strikes by the labor movement and demonstrations leading to riots in urban areas. Consequently, the reform package was abandoned and replaced by a locally developed economic program called 'The Interim New Economic recovery Program' (INERP). The INERP whose theme was 'Growth from our own resources' can be credited to Samir Amin's 'self reliant' Developmental Approach based on the principles of relying on one's own resources, a strategy among others he recommended to LDCs to challenge south-north

ties which have done nothing but to disadvantage the south in the development process (Meier and Gerald, 1995). The new programme reversed the policy reform undertaken under SAPs. The cancellation of SAPs led to the suspension of assistance from the Bank together with that of the IMF, UK, USA and Scandinavian countries. The failures of SAPs compounded with both local and international pressure for regime change resulted into the demise of the Kaunda era.

The failure of economic reforms under Structural Adjustment Programmes in the 1980s led to the demand for political reforms which resulted into the introduction of the concept of good governance in 1990. The concept of good governance was further developed in the Bank's 1992 publication "Governance and Development". This meant that the Bank coined economic reforms and political reforms as conditionality of providing its aid. The concept was now epitomized by predictable, open and enlightened policy making (that is, transparent processes); a bureaucracy imbued with a professional ethos; an executive of government accountable for its actions; and a strong civil society participating in public affairs; and all behaving under the rule of law (Momba, 1998/99: 2).

Zambia's debt situation become increasingly unsustainable and economic conditions continued to worsen further heightening the need for financial assistance. With this situation at hand Zambia reassumed relations with the World Bank which meant that re-adoption of SAPs became a pre-condition for any form of assistance. Following the landmark general election of 1991, which ended the era of the Single Party System of Government, the new Government of the Movement for Multiparty Democracy (MMD) wholesomely embraced the orthodoxy of Structural Adjustment, which the previous socialist inclined government had resisted. Immediately upon assuming office, the new government set up the Zambia Privatization Agency and mandated it to privatize the huge Parastatal Sector which had experienced a prolific growth in the Single Party era.

Among the major parastatals that were privatized under SAPs include ZANACO by Mwanawasa and ZAMTEL by Rupiah Banda despite protest from the public and opposition parties. In addition ZNOC was liquidated. To this effect, the country experienced negative economic growth during the period 1991 to 1995 before recovering with real GDP expanding on average by 2.6 percent per annum during 1996 to 1999

supported by good agricultural performance and strong growth in non-traditional exports (IMF; IDA, 2000). Amid loss of jobs, removal of subsidies and rising prices, poverty levels rose from 69.7 percent in 1991 to 73.8 percent in 1993. While the poverty incidence fell to 69.2 percent, it rose again to 72.9 percent in 1998. The GNP per capita which was US \$440 in 1990 declined to US \$370 in 1998. During the same period, life expectancy declined from 51 to 44 years while child malnutrition increased to 53 from 39 percent as did the infant mortality rising from 191 to 197 per 1,000 live births (Saasa, 2005). Alongside the foregoing economic and structural reforms, government prepared comprehensive Governance Program to consolidate its approach to governance and human rights. This was aimed at capacity-building and strengthening governance related institutions namely; the police, the judiciary, Auditors General's Office, the National tender Board and the independent anti-corruption, human rights and electoral commissions. In addition, the government pledged to develop a national policy on decentralization so as to strengthen local government administration (IMF; IDA, 2000). These measures were meant to strengthen democratic governance through accountability and transparency in the public institutions and among officials.

In return to adherence to the structural adjustment programme, the Zambian government under MMD received overwhelming support from the World Bank and its cooperating partners. The World Bank is one of the nine cooperating partners providing direct budget support to the Government of Zambia. Budget support currently contributes towards the funding of government's Poverty Reduction Strategy as reflected in the Fifth National Development Plan. Between 1991 and 1995, for instance, Zambia received aid from the World Bank and its cooperating partners amounting to 30.7% of GDP in 1991, 20.2% of GDP in 1993, and to a mammoth high of 54.9% of GDP in 1994. This high range of donor support to Zambia's budget signified extreme Zambia commitment to World Bank conditionalities (Saasa, 2005). Currently, World Bank budget support contributes towards the funding of government's Poverty Reduction Strategy as reflected in the Fifth National Development Plan. Since 2005, the Bank has provided two budget support credits worth US\$50 million. Under the first budget support credit, the World Bank supported government reforms in the following areas: preparation of the Financial Sector Development Plan (FSDP), the sale of the Zambia National Commercial Bank

(ZNCB) and reform programs in the civil service pension system. Under the second budget support credit, the Bank is supporting the government in the areas of public sector reform, pension reform and macroeconomic management, particularly the creation of a credit reference bureau. The Bank is also helping in the preparation of legislation on agricultural marketing, strengthening government capacity and reducing the cost of doing business ([www.worldbank.org](http://www.worldbank.org)).

The reforms undertaken under SAP were expected to attract Foreign Direct Investment particularly in the financial sector and foreign exchange reforms but this didn't benefit the Zambians as anticipated. As observed by Lynas (1999), the majority of privatized State Owned Enterprises were sold off into foreign ownership. Although at the time only Zambia breweries was cited, the list can be extended to include Zambia sugar, Zambia Bottlers and the biggest of them all ZCCM which was unbundled into a number of smaller packages. The sale of ZCCM continues attract debate particularly concerning the concessions that were offered under the Development Agreements vis-à-vis expected benefits of privatizing the national the national assets. Similar incentives, such as tax rebates, were offered to other foreign investors which led to an influx of South African retail shops with a number of them allegedly withdrawing from the markets as the tax holidays elapsed.

In the period beyond 1995, the world copper price began a slow and prolonged decline coupled with reduced domestic output. This trend eroded Zambia's ability to generate the foreign earnings needed to finance imports and service debts which exacerbated the country's foreign indebtedness. The deteriorating living standards caused a major public outcry particularly from civil society, academia and political analysts as they all unanimously condemned the IMF and World Bank structural reforms. For instance Lynas (1999) observed that during the mid and late 1990s people in Zambia were dying quietly in huge numbers all over the country. Lives were being wasted not because of some accident of nature, but as a direct result of economic policies imposed by faceless western planners. This was evidenced from the fall of life expectancy which failed from 54 in the mid-1980s to 45 in the late 1990s.

The criticisms that were being levied against the SAPs locally were in fact adding to the mounting international rejection of the reform policies that were being described as

not only disruptive but also inappropriate and anti-developmental. Among the notable critics of SAPs is Joseph Stiglitz, formerly chief economist of the World Bank (1997-2000), who severely criticized SAPs for serving the needs of global finance rather than the needs of global stability, by encouraging what he perceived as premature internal and external financial liberalization (Thirwall, 2006). SAPs encourage policies that urge countries to promote export growth. One in this case wonders how the poor countries exports would increase when their goods are denied entry into more lucrative markets of the developed countries. While the poor countries are made to remove controls over foreign exchange and imports as a condition for assistance from the World Bank, the rich countries continue to impose restriction on imports from developing countries.

Taking into consideration some of the criticisms levied against SAPs and the Bretton Woods institutions at large, efforts were made to change the approach towards development in poor countries. At the 1999 annual meeting, the Enhanced Structural Adjustment Facility (ESAF), responsible for providing loans to up to 80 poor countries, was renamed the Poverty Reduction and Growth Facility (PRGF). In addition, Poverty Reduction Strategy Papers (PRSPs), which were drawn up in consultation with the civil society, were introduced to meet fears that governments lacked 'ownership' of SAPs. To this effect, the PRGF is designed to work alongside the Highly Indebted Poor Country (HIPC) initiative for the World Bank and the IMF for debt relief for low-income countries. Eligible countries may borrow up to 140 percent of quota under a 3 year arrangement with an interest rate of 0.5 percent and repayments made between 5.5 and 10 years after disbursement (Thirwall, 2006). Amid public outcry against the adverse effects of SAP policies, the Zambian government reaffirmed its commitment to stay in the course and embrace further reforms. It was therefore in the best interest of both the Zambian government and the two Bretton Woods institutions to fast track the HIPC debt relief. In this sense, successful implementation of the PRSP and staying in the course of SAP were among the benchmarks for Zambia reaching the HIPC completion point (IMF, 2005).

Since the inception of the World Bank structural reforms in 1991, the manufacturing sector has continued to lag behind having collapsed following the removal of the protection and other incentives enjoyed during the Kaunda era. The mining

industry has been the major beneficiary of the liberalized economy supported by the high metal prices and overly generous incentives to the sector. This essentially has reaffirmed Zambia as a copper-industry dominated economy susceptible to high volatility in revenues both domestic and foreign. The services sector, particularly wholesale and retail has posted strong growth against the background of an influx of imported goods which continue to dominate in all sales outlets. Agriculture on which over 50 percent of the population earns a living remains dependent on the uncertainty of climate and weather conditions. Despite the marked improvements in the country's economic performance, poverty, health and education remain the challenges Zambia still faces. The economic structure that has emerged is donor dependent and remains vulnerable to the fluctuations in the international copper prices. By relying heavily on imports for both consumer and capital goods in the name of liberalized trade, the country will continue to be economically vulnerable as domestic incomes continue to support external industries. The result will be perpetuation of balance of payments problems whenever the mining sector suffers price reduction or reduced output.

On this basis, the economic relationship between the World Bank and Zambia has inhibited the government from delivering independently to address the root causes of poor living standards faced by many Zambians in the country.

## **2.4 Conclusion**

This chapter has established the organisation of the World Bank and the UNDP and the overall role of the two institutions in Zambia and across Africa. It has been discovered that though these two multilateral institutions were primarily established to promote sustainable development, they have also been promoting good governance as a precondition to development. From what has been discussed in this chapter, multilateral institutions shouldn't be perceived as the panacea to good governance and poverty in Zambia and in Africa at large but as organizations to assist in the development process. With this perception towards these institutions, they shouldn't be blamed entirely for perpetual poor governance and underdevelopment in the country and across Africa. Essentially, these institutions only aid development in any country if called upon. This means that any country has the authority to refute policies of these multilateral

institutions if so wish. China is a practical example that has rejected liberal policies from the west and instead devised home grown development models. This is a similar case in other countries like Brazil and Venezuela. In this regard, Zambia and other African countries can learn from these countries and be able to come up with economic policies which put the needs of people first and not the interest of foreign investors.

Having being discussed the overview of the UNDP and the World Bank, the next chapter focuses on these multilateral institutions specifically the World Bank and the promotion of good governance through public service reforms in Zambia.

## References

- Colgan, L. (2002), "Hazardous to Health: The World Bank and IMF in Africa," Africa Action. Source: [www.africa.upenn.edu/Urgent\\_Action/apic041802.html](http://www.africa.upenn.edu/Urgent_Action/apic041802.html). Accessed on 20/07/2012
- Eurodad (2006). "World Bank and IMF conditionality: A Development Injustice Report," Source: [www.eurodad.org/uploadedfiles/whats\\_new/reports/eurodad\\_world](http://www.eurodad.org/uploadedfiles/whats_new/reports/eurodad_world) Accessed on 20/08/2012
- Goldstein, J.S. and Pevehouse, J.C. (2006). *International Relations*, Prescilla McGeehan: Elm Street Publishing Services Inc.
- Gordon, C. (2010). "How Does the World Bank Work," Source: [http://www.ehow.com/how-does\\_4567418\\_world-bank-work.htm](http://www.ehow.com/how-does_4567418_world-bank-work.htm). Accessed on 20/07/2012
- IMF Zambia (2005). *Enhanced Initiative for Highly Indebted Poor Countries – Completion Point Document, Country Report No. 05/137*, Washington: International Monetary Fund.
- IMF; IDA. Zambia (2000). *Preliminary Document on the Enhanced Initiative for Highly Indebted Poor Countries Report*, Washington: International Monetary Fund and the International Development Association.
- Ismi, A. (2004). "Impoverishing a Continent: The World Bank and the IMF in Africa." Source: [www.halifaxinitiative.org/updir/ImpoverishingAContinent.pdf](http://www.halifaxinitiative.org/updir/ImpoverishingAContinent.pdf). Accessed on 12/03/2011
- Mansbach, R.W. (1994). *The Global Puzzle: Issues and Actors in World Politics*. Houghton Mifflin Company: Boston.
- Meier, J and Gerald, M. (1995). *Leading Issues in Economic Development*, New York: Oxford University, Press.
- Momba, J.C. (1998/99). "Economic Reforms and the Crisis of Governance in Zambia: The Dilemma for the Donor Community," in *ZANGO*, Vol. 21, No. 12
- Petifor, A. (2002). "Debt is still the linchpin: the case of Malawi", Jubilee Research. Source: [www.virtual.unal.edu.co/cursos/economicas/.../helsinkp.DOC](http://www.virtual.unal.edu.co/cursos/economicas/.../helsinkp.DOC). Accessed on 12/08/2011
- Saasa, O. (2005). *Zambia Aid Policy and Strategy*, MoFNP, Lusaka: Zambia.

Shivji I. (2003). "The Struggle for Democracy," Source: <http://www.marxists.org/subject/africa/shivji/struggle-democracy.htm>. Accessed on 20/04/2011

Thirwall, A.P. (2006). *Growth and Development with Special Reference to Developing Economies*, New York: Palgrave Macmillan.

Transparency International (2003). *Global Corruption Report*, Berlin: German.

UNDP (2006). *Assessment of Development Result in Zambia Report*, Lusaka: Zambia.

UNDP (1997). *Governance for Sustainable Development Report of International Conference United Nations*, New York: USA.

UNDP (1996). *The African Governance Forum: Conceptual Frame Work*, New York: USA.

Woodroffe, J. and Ellis-Jones, M. (2000). "States of Unrest: Resistance to IMF Policies in Poor Countries," source: [www.hartford-hwp.com/archives/25/089.htm](http://www.hartford-hwp.com/archives/25/089.htm) Accessed on 11/03/2011

<http://www.adb.org/poverty/mdgs.asp>. Accessed on 11/03/2011

<http://www.worldbank.org/en/country/zambia/overview> Accessed on 11/03/2011

**CHAPTER THREE**  
**PROMOTING GOOD GOVERNANCE IN ZAMBIA THROUGH PUBLIC**  
**SERVICE REFORMS**

**3.1 Introduction**

This chapter focuses on the extent to which multilateral institutions have contributed in the promotion of good governance in Zambia. In this chapter, much attention is paid to the World Bank as it has been more active in reforming the public sector than the UNDP. Therefore the focus is to establish the role played by the World Bank in promoting good governance in four major reform programmes, which are: the 1993 Public Service Reforms Programme (PSRP), the 1994 Financial and Legal Management Upgrading Project (FILMUP), the 2000 Public Service Capacity Building Project (PSCAP) which was a financing facility for the 1993 (PSRP) and the 2005 Public Sector Management Programme (PSMP) which was a continuation of PSCAP. In each of these reform programmes, attention has been paid to examine the extent of the World Bank's role in promoting good governance in the country.

**3.2 The World Bank Conditionalities and the 1993 Public Sector Reforms**

This section establishes the role of the World Bank conditionalities in the inception of public service reforms in the country. According to Moses Kondowe, the Director PSCAP/ PSMP, the World Bank interest to reform the public service in 1993 was expressed in the Policy Framework Paper (PFP) adopted in early 1992 which was an agreement between Zambia, the World Bank and the IMF (Interview with Mr. Moses Kondowe, the Director PSCAP/ PSMP Cabinet Office on 2<sup>nd</sup> October 2012). In this paper, the World Bank expressed interest to give the Zambian government loans for structural adjustment programmes in the country while on the other hand, the Zambian government set clearly its intentions to move the economy to one that is based on private initiative and free market principles (Policy Framework Paper, 1993). In the same year, 1992 the World Bank in line with this paper (PFP) outlined some conditionalities that the Zambian government was supposed to meet in order to access funding from the financial institutions for economic growth. These conditionalities, involved among others, reducing employment by 10,000 employees through retrenching some civil servants to

reduce the cost of servicing the public sector (Stumbeko and Zulu, 2004). The World Bank believed that reducing the numbers of the civil service was expected to increase government savings eventually broadening the financial base for the government for servicing its loans. Passing privatisation law and restructuring ZCCM were others conditionalities from the Bank (Stumbeko and Zulu, 2004). The privatisation of ZCCM was present as a condition in almost all the loans that the country received from the Bank. In line with these conditionalities, the Privatisation Act No.21 was adopted in the same year 1992 and the Zambia Privatisation Agency was created. This agency performed the role of selling off parastatals to private investors. In 1993, the Investment Act was proposed for reform and studies had to be commissioned which eventually saw the sale of ZCCM in 1999. These conditionalities were attached to the privatisation and industrial reform credit 1; this was the first loan that the country acquired from the world bank to support the privatisation process in the country after the MMD came into power in 1991 (Stumbeko and Zulu, 2004). From the conditionality of reducing the civil service by 10,000 employees, the 1993 Public Service Reforms Programme (PSRP) took off (Interview with Mr. Moses Kondowe, the Director PSCAP/ PSMP Cabinet Office on 2<sup>nd</sup> October 2012).

Therefore, in line with the agreement outlined in the PFP, the Zambian government dedicated itself to redefine the role of the government by reducing its size and making it more specific in service delivery (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012). It should be stated that during the 1993 reforms, the World Bank did not fund any reform component but only identified areas that it could fund which eventually saw the birth of FILMUP and PSCAP (Interview with Mr. Moses Kondowe, the Director PSCAP/ PSMP Cabinet Office on 2<sup>nd</sup> October 2012).

The introduction of public service reforms in 1993 coupled with privatisation marked the inception of retrenchment and job losses among Zambians (Interview with Mr. Moses Kondowe, the Director PSCAP/ PSMP Cabinet Office on 2<sup>nd</sup> October 2012). After a slow start, large numbers of parastatals began to be privatised in 1995 and 1996. At the end of 1994, 15 companies had been privatised; by June 1996 this had risen to 137 and the total was 257 at the end of 2001 which saw employment in mining and

manufacturing to fall from 140,000 in 1991 to 83,000 in 2000 (Stumbeko and Zulu, 2004). As a result of the retrenchment exercise, the number of civil servants in Zambia reduced from about 180,000 in 1993 to 139,000 in 1997, implying that about 41,000 workers lost their jobs through retrenchment. However, Mafuleka (1996) argues that PSRP failed to reduce the size and the cost of the civil service as stipulated in the project design because the retrenchment plan did not include some ministries like health and education which account for about 60 percent of government employees. Although the civil service was reducing, it was very difficult to meet the intended target which was about 80,000 workers. This target meant even retiring many key civil servants which in some way could have made the performance of the civil service even worse than before (Interview with Mr. Moses Kondowe, the Director PSCAP/ PSMP Cabinet Office on 2<sup>nd</sup> October 2012).

According to Stumbeko and Zulu (2004), the World Bank and the IMF through their conditionalities such as privatisation and reducing the size of the civil service undermined good governance in the country in a way that they made the Zambian government to be more accountable to them than to the Zambian people. They assert that the MMD government expressed commitment to debt recovery in the 1990s as proposed by the Bretton woods institutions on the expense of Zambians losing their jobs under privatisation and retrenchment programmes. The fact that the people of Zambia have no say over the affairs of the Bank and the IMF, the two financial institutions are not accountable to them. So whatever impact the reforms prescribed by the World Bank have on the Zambian people, the financial institution cannot be held accountable (Stumbeko and Zulu, 2004).

Even if the 1993 public service reforms had created job losses among Zambians, a research survey by Mafuleka (1996) indicates that these reforms introduced professionalism and public service ethics among bureaucrats in the country thereby improving the capacity of the civil service in service delivery in so doing contributing to good governance practices. This is so because the survey shows that presidential appointments at the level of permanent secretary in some ministries, was made on specialised field of study as a result of the 1993 public service reforms. These ministries included agriculture, mining, Education and foreign affairs. The Performance

Management Analyst at Cabinet Office added that more importantly, the 1993 reforms acted as a foundation of better ways of reforming the public sector and also acted as a learning process for many technocrats who most of them had no good understanding of how and what to do when reforming the civil service (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012). From the 1992 World Bank conditionalities, more reforms followed characterised mainly by financial restructuring and downsizing of the civil.

### **3.3 The World Bank and the 1994 Financial and Legal Management Upgrading Project**

This section looks at the first World Bank attempts to reform the Zambian financial sector and how this contributed to good governance in the country. According to Patricia Palale, the World Bank Public Sector Management Specialist, in 1994 the Zambian government had to incorporate the World Bank fully in the reforms to ensure that they could be well funded and carried out effectively. In the same year, the Zambian government in cooperation with the World Bank initiated the Financial and Legal Management Upgrading Project (FILMUP). The World Bank Public Sector Management Specialist added that FILMUP was the first World Bank financed project devoted to capacity building in legal, accountancy and procurement services in Zambia under the umbrella of PSRP. The Project was for a period of four years. For this programme to take place preliminary arrangements had to be put in place. The government of Zambia had to identify areas of the public sector that needed serious attention, and then in June 1992 the government through the Ministry of Finance made a request from the World Bank to fund the project. The government had to indicate clearly how exactly the funds from the Bank were to be used and within what period. From September to October 1993, a workshop was held in Lusaka organised by the World Bank to develop the implementation plan. About three technocrats from the World Bank specialised in accountancy, law and procurement were present to help the government adopt the implementation plan. It was agreed at this workshop that all project components will be implemented by government institutions which are the Zambia Institute for Chartered Accountants (ZICA), the Ministry of Legal Affairs, Zambia National Tender Board (ZNTB) and the Copperbelt

University. The government through the Ministry of Finance was mandated also with the duty of appointing a Financial Component Coordinator who was approved by the World Bank. On the other hand, it was agreed that the World Bank will be receiving and scrutinising progress reports comparing the actual with the budgeted physical implementation, of material procurement and funds disbursement (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011).

The Performance Management Analyst Office of the President at Cabinet Office noted that although agreements are reached before the World Bank and other donors like the, European Union (EU) and the British Department for International Development (DFID), could fund public service reforms in the country, the process by which the conditions in Letters of Intent are arrived at is not widely consultative. It is mainly driven by the World Bank and other key donors like EU and DFID, the Ministry of Finance and National Planning (MOFNP) and the Bank of Zambia (BOZ). According to the Performance Management Analyst Office of the President at Cabinet Office, there is little room for any stakeholder participation like Cabinet office and line ministries which are the key implementing institutions. These implementing institutions are only invited to come and answer queries related to a condition primarily affecting their institution. In addition, the Performance Management Analyst Office of the President at Cabinet Office also stated that because of this limited stakeholder participation, the process of negotiating how the reforms are supposed to be carried out in Zambia is perceived to be undemocratic. Further, the Performance Management Analyst Office of the President at Cabinet Office stated the approval process ends with Cabinet who are generally only told what has been agreed, rather than playing an active part in decisions and this has been the case in all World Bank funded reforms including PSCAP and PSMP (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012).

FILMUP was divided into two main parts. The first part involved financial management upgrading, comprising of improvements to accounting and procurement services. This part improved the national accounting and auditing standards by strengthening the Zambia Institute for Certified Accountants and also standardizing the local procurement procedures with international ones acceptable to donors. The second

part was the legal management upgrading, which consisted of improvements to the administration of justice, legal training and information and improvement of service provided by the Registrar of Companies. The cost of the project was estimated at a credit of about US\$19.6 million over a five-year period from 1994 to 1999. This project was mainly funded by the World Bank which provided 92 percent of the funds which is US\$18 million while the remaining 8 percent came from the Zambian Government which is US\$1.6 million (Financial and Legal Management Upgrading Project World Bank Report No. 11817- ZA, 1993).

In the process of implementation, the World Bank offered technical support in form of its experts. These experts offered personnel in monitoring and evaluation of the project (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011). According to Mrs. Palale, this technical support was characterised by a monitoring and evaluation team which was stationed at the World Bank offices in Lusaka dealing with correspondence, reviewing and commenting on the procurement documents, disbursement requests, progress reports from the government implementing team and auditing reports. In addition, the World Bank engaged external consultants in some areas of the project at a total cost of US\$5.4 million. Mr. Rhidah Mung'omba a computer specialist was hired to establish a computerised legal data base. In the area of accountancy and auditing, an official from the World Bank specialised in accountancy was engaged to train Zambia Institute of Certified Accountants (ZICA) staffs and assist them to introduce and implement a nationally recognised Zambia technician level certificate in accountancy (Financial and Legal Management Upgrading Project World Bank Report No. 11817- ZA, 1993). In addition, after two years of project implementation, the World Bank represented by an official from its monitoring and evaluation team jointly with the government reviewed the project by assessing not only the progress made on implementation but the relevance of continuing with the project (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011).

Patricia Palale observed that FILMUP had its own problems. She asserted that it was one of the World Bank programmes that contributed to the debt that the country was accumulating since the introduction of SAPs. This is basically because the programme

was supported by the World Bank on loan basis just like other structural adjustment programmes in the country. These loans contributed to the accumulation of debts that the MMD government inherited from the Kaunda Government. This meant that the Zambian government was supposed to pay back these loans to the institution eventually (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011). The Director of FODEP also made some critical remarks in regards to World Bank loans. He said that these World Bank loans have exposed the Zambian government to “aid dependency syndrome” which has exposed the country to donor conditionalities that have limited Zambia’s policy space in which it could make independent decisions that genuinely reflect the practice of good governance in the country. These problems identified with FILMUP contributed to the low success of the reform programme.

However, Palale indicated that even if FILMUP had its own hiccups, it contributed to the upgrading of the legal, financial and procurement aspects of the country thereby contributing to good governance in these areas. Specifically, FILMUP significantly contributed to transparency in the legal system of the country by printing and disseminating the Revised Laws of Zambia (1995 edition). FILMUP also decentralised procurement by establishing Procurement Units in about 20 ministries and parastatals which helped to improve efficiency and effectiveness in public procurement. This was also followed by the acquisition of computers and installation of public procurement software which has reduced processing time and tender costs which also contributed to effectiveness and efficiency in the procurement system of the country. In the area of finance, Palale stated that FILMUP strengthened the accounting profession by helping ZICA introduce a locally administered accounting technician qualification which trained between 600 and 700 technicians country wide by the year 2000. This helped to improve capacity among Zambian accountants. Since then, dependency on foreign institutions for qualification at a technician level has been reducing (Financial and Legal Management Upgrading Project World Bank Report No. 11817- ZA, 1993). Thus if the World Bank had not funded the programme, the country would have gaps in the legal and financial systems. Therefore, the interest of the Bank to fund FILMUP was a result of its obligation to improve financial and legal administration in the country as Zambia is a

subscribed member of the World Bank (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011). Under the new World Bank terms, public sector reforms are now being implemented under the Poverty Reduction Strategic Paper (PRSP) which has replaced the Structural Adjustment Programme as a new World Bank conditionality in the country.

### **3.4 The World Bank and the 2000 Public Service Capacity Building Project**

This section examines the role of the World Bank in respect to the introduction of the Public Service Capacity Building Project (PSCAP). This is the major reform project which the World Bank funded together with other donors it mobilised after funding FILMUP. According to Bwalya (2005), Public Service Reform Programme (PSRP) goals and objectives were revised after a review in 1997 and 2000 resulting in the adoption of PSRP 2000 with the general objective being: to create an affordable, efficient, effective and responsive public service that will provide quality and cost-effective services to the people of Zambia. Thus in line with this slight shift in focus of the reforms, PSCAP was launched in 2000 to provide financial and programme support services to the Public Service Reform Programme as outlined in Poverty Reduction Strategic Paper. PSCAP's support to this strategic paper focused on the aspects of Rightsizing and Pay Reform, Policy and Public Service Management, Financial-Management, Accountability and Transparency, Judicial and Legal Systems Improvement and decentralization (Public Service Management Programme World Bank Report No. 32502, 2005).

PSCAP was designed in such a way that it supported governance aspects of Public Service Reform Programme as outlined in the Poverty Reduction Strategic Paper (PRSP) which was adopted in 2002 after SAPs proved to be a failure (Zambia PRSP, 2002). This paper is now a new World Bank conditionality that has replaced Policy Framework Paper under SAPs and is seen to be more participatory and democratic than its predecessor. However, the Programmes Manager for Jesuit Centre for Theological Reflection (JCTR), noted that although, the PRSP is supposed to be prepared after extensive consultation such as the cabinet, civil society and Parliament, there were concerns that only a few individual parliamentarians were involved in consultations. Parliament was only informed of important aspects of the document after it had been

adopted by the Government and accepted by the IMF and the World Bank. Despite the relatively receptive attitude of civil society towards the PRSP process in Zambia, it was still clearly influenced by donors in terms of its inception and development, and by the fact that the Bank and Fund Boards have the final sign-off to 'approve', its participatory nature is questionable, making it appear to be imposed on the Zambian people thereby by undermining good governance in the country (Interview with Mr. Geoffrey Chongo, the JCTR Programmes Manager on 9<sup>th</sup> October 2012) Yubai, the Programmes Manager for Transparency International Zambia observed that since these public service reform programmes are a product of either the SAPS or PRSP, their participatory nature is debatable as they are implemented under questionable democratic frameworks (Interview with Mr. Yubai, the Programmes Manager for Transparency International Zambia on 1<sup>th</sup> August 2012). Despite these concerns on how PSCAP has been influenced by the PRSP, it was well funded mainly by the World Bank.

The World Bank played an important role in the preparation of the PSCAP project, bringing together both the Zambian team and key donors. The World Bank at preparatory stage convened a meeting in July 1999 which involved three World Bank specialists in public sector management, institutional reforms and in procurement. The meeting also involved other donors like European Union and British Department for International Development (Public Service Capacity Building Programme World Bank Report No. 34450, 2005). Also Present in this meeting was the government team led by the Director of the project Moses Kondowe. The meeting was aimed at discussing what was specifically supposed to be addressed in the PSCAP project design which included components like rightsizing, judicial and legal reforms, decentralisation Reform and financial and management reforms. The World Bank's involvement in PSCAP grew out of long term concern for the fiscal viability of the public sector and a series of sector based projects requiring institutional reforms, most recently the public sector reform and export promotion adjustment credit. According to Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office at the inception of PSCAP, it was agreed in the memorandum of understanding in early 2000 that the donors would give funding and evaluate the process at the end while the government would do the implementation. This was particularly in respect to donors like the Irish Aid

and British Department for International Development. In the case of the World Bank, it needed progress reports which were subjected to auditing at every stage of the reforms. This kind of scrutiny from the Bank somehow made it difficult to easily access funds from the Bank and resulted into delays in executing objectives of the reforms (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012). After the Government of Zambia accepted this demands from the donors, funds were then credited.

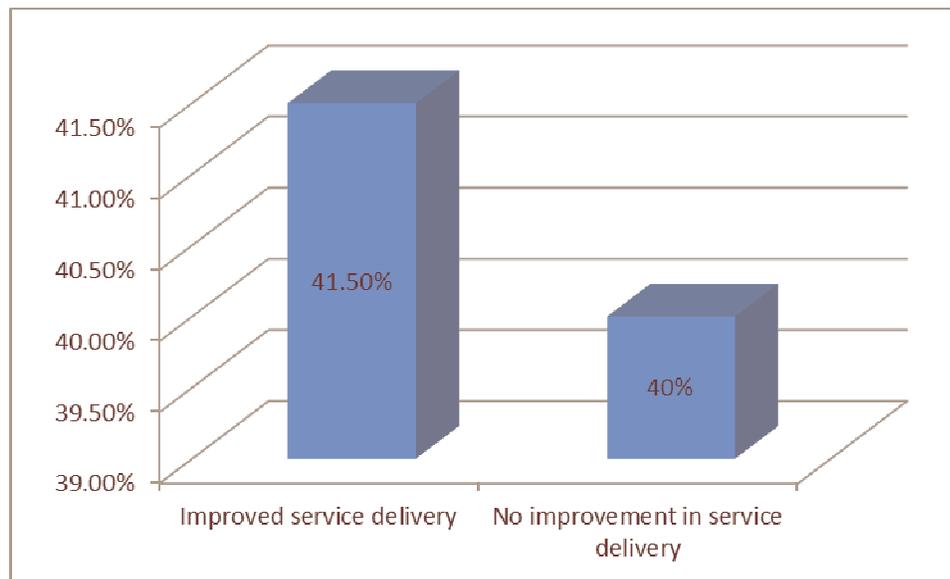
A credit of US\$28 million was made to PSCAP project by the World Bank while other funds were credits from the British Department for International Development and Irish Aid. DFID and Irish Aid assigned staff or consultants to preparation missions organised by the Bank (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011). In the view of the World Bank and other donors, their engagement in PSCAP was important because without their support, the reform process would have been very slow and the government would have taken time to learn how well to address the reform process in the country (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012). The World Bank also engaged some consultant services which run at a cost of US\$ 0.21million (Public Service Capacity Building Programme World Bank Report No. 34450, 2005). Ernest and Young Consultants were engaged by the Bank to compute the cost of implementing the new structures for councils under the decentralisation component. Another consultant specialised in public sector management was engaged to conduct a study to develop a new cabinet handbook and policy documentation procedures. In addition, the World Bank offered technical support to the project at the time of midterm review in 2002. Five World Bank specialists in procurement, public sector, economics, financial management and the country manager were involved at this stage of project review. The review was done by scrutinising and assessing progress reports prepared by government implementing institutions (Interview with Mr. Moses Kondowe, the Director PSCAP/ PSMP Cabinet Office on 2<sup>nd</sup> October 2012). Despite these efforts by the Bank in trying to make PSCAP archive its goal, some problems were identified in the process of implementation.

The Director PSCAP/ PSMP Cabinet Office noticed that the World Bank during implementation of PSCAP was overinvolved than other donors. The World Bank was too cautious particularly were procurement of the necessary materials of the project was concerned because it believed that the government had no sufficient capacity to effectively carry out procurement. It was over assessing the process diligently before it could approve its funds which delayed the implementation process. For instance, the Integrated Financial Management Information System (IFMIS) is a one area under the Financial Management component which failed to be completed under PSCAP because the World Bank was over scrutinising the procurement of materials needed for this component (Interview with Mr. Moses Kondowe, the Director PSCAP/ PSMP Cabinet Office on 2<sup>nd</sup> October 2012). In addition, there were delays in the funding of PSCAP by the World Bank due to the tedious process of disbursing the funds which went as far as the authorisation from officials from Washington D.C. in the USA (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012). Further, PSCAP contributed to the unemployment levels that the 1993 reforms created. From 139,000 workers in 1997, the number dropped again to 104,000 workers as of 2000, meaning that PSCAP saw 25, 000 workers jobless (Public Service Management Programme World Bank Report No. 32502, 2005).

However, despite the above noted problems, PSRP and PSCAP Assessment Study conducted by the University of Zambia between 2004 and 2005 indicate that public service reforms in the country have somewhat improved standards in the civil service. The study indicates that 41.5 percent of public service users (ordinary Zambians accessing public services) indicated that there has been some improvement in service delivery after the reforms, against 40 percent who indicated that there has been no improvement (figure 3.1). Bwalya (2005) argues that this improvement in service delivery is important for Public service reforms to be appreciated by the people since the objective is to improve service delivery. If there was no improvement in the service delivery after these reforms, it would have meant that the World Bank together with the Zambian government wasted resources in trying to improve the public service and promote good governance in the country. However, as indicators showed in the

assessment, there was progress made towards good governance but even then, much more needs to be done for the public to really appreciate these reforms.

**Figure 3.1 responses of service users on service delivery in the public service**



**Source: PSRP and PSCAP Impact Assessment Study 2004-2005**

Generally the successes of components of PSCAP were rated against the initial targets by the World Bank as indicated in table 3.1 below

**Table 3.1 World Bank rating of PSCAP**

Component	Rating
1. Rightsizing and Pay Reform	Moderately Unsatisfactory
2. Policy and Public Service Management	Moderately Unsatisfactory
3. Financial Management, Accountability and Transparency	Moderately Unsatisfactory
4. Judicial and Legal	Moderately Unsatisfactory
5. Decentralization	Unsatisfactory

**Source: World Bank report No. 34450**

Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office, stated that the World Bank, and other donors like DFID had interest in funding PSCAP because it was an intensive project aimed at addressing the entire civil service as it addressed most of the key governance components that included, the civil

service, the judiciary and decentralisation among others. It was envisioned by many donors involved in funding this project that upon its completion, Zambia was expected to improve in service delivery through accountability and transparency in managing public resources (Public Service Capacity Building Project World Bank report No. 34450, 2005). On the other hand, Palale, the World Bank Public Sector Management Specialist stated that the World Bank has been supporting public service reforms such as FILMUP and PSCAP because the institution believes that through improving accountability and transparency in financial management and in service delivery, corruption is reduced. In the financial management for instance, corruption is being curbed by the implementation of the integrated financial management information system which is aimed at supporting timely and accurate recording of financial data by all spending agencies in so doing improving accountability and transparency in public finance. Palale further stated that according to the World Bank funded national baseline survey report (2004), corruption in the public service has been as a result of low salaries among civil servants. To resolve this problem, the Bank thus has been emphasising on reducing the size of the civil service in order to maintain a suitable number of bureaucrats that can receive reasonable remunerations within the limited resources that the government has. (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012).

### **3.5 The World Bank and the 2005 Public Sector Management Programme**

After its financial and technical support towards FILMUP and PSCAP, the World Bank went on to fund the Public Sector Management Programme (PSMP) with a view of upgrading components of the earlier reforms. Because of the need to reform the public sector further, the Zambian government with support from the World Bank and other donors in 2005 launched the Public Sector Management Programme (PSMP) (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011). According to Palale, the government together with the World Bank justified the implementation of this project as necessary to address the gaps that were left by PSCAP. Palale stated that “public service reforms are incremental, one building on the other hence the need for PSMP to build on PSCAP.” “In fact, the reform process is

expected to continue even beyond PSMP because it is done in line with the process of modernisation around the globe,” she said (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011).

The project had three components namely: (i) the Public Expenditure Management and Financial Accountability (PEMFA) component; (ii) the Public Service Management (PSM) component; and (iii) Retrenchment component. Prior to the launch of this programme, a memorandum of understanding was signed between the government and the World Bank together with other donors on 8<sup>th</sup> December 2004. Where the government committed itself to the implementation of the programme, the World Bank and its donor partners committed themselves to supporting the programme with financial and technical assistance as requested by the government. Just like in other reforms, the government in the memorandum of understanding had to assure the World Bank, the European Union, Sweden, German, United Kingdom and the UNDP to be accountable and transparent in the expenditure before funds could be disbursed (Memorandum of understanding between the government, the World Bank and its cooperating donors of 8<sup>th</sup> December 2004). The others donors mentioned were mobilised by the World Bank as it was coordinating donor support to this project.

The first component - PEMFA was viewed as central to meeting the targets for economic growth and poverty reduction, key to meeting Zambia's development aspirations. The overall objective of PEMFA was to contribute to the efforts of Government in improving its capacity to effectively and efficiently mobilise and utilise public resources (improve public expenditure management) and to strengthen overall financial accountability. PEMFA was launched in 2005 at a total cost of US\$ 72 million with a full time secretariat coming into place in February 2006. The programme was a fully government owned program but funded by Cooperating partners (donors) among them the World Bank, European Union, Sweden, German, United Kingdom and the UNDP. Out of the US\$ 67.36 million, the World Bank contributed US\$ 8 million while the other portion of the funds came from the other cooperating partners (European Union, Sweden, German, United Kingdom and the UNDP). PEMFA significantly contributed towards good governance in the public sector by improving public expenditure accountability. This has been done through the establishment of the Integrated Financial

Management System (IFIMIS) which failed to be completed under PSCAP. This system has enhanced efficiency and effectiveness in the use of public resources through an automatically integrated financial management system of all government ministries (Public Service Management Programme World Bank report No. 32502, 2005).

However, Kanganja stated that despite the impact of PEMFA on public service expenditure, government officials had lost the eagerness to continue effectively with the reforms because they had developed reform fatigue as a result of doing the same reform process over and over. He added that government officials did not see the essence of continuing with the reforms because even their benefits were not that easily identified. There was also a concern on when these reforms will come to a final completion. On the part of the donors, the reform process has mainly been viewed as a continuous process done in accordance with the pace of development in the country. Therefore, there was overwhelming support from donors to fund the reforms (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012). Kanganja also stated that the World Bank support under this component also came in form of consultants. A local consultant was engaged at a cost of US\$ 120,000 to review the Finance Act and financial regulations and stores regulations and revise accounting manuals. In addition, another local consultant was engaged at a cost of US\$ 140, 000 to review existing procurement legal framework and to develop code of conduct (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012).

While the PEMFA programme was being implemented, the second component of the PSMP which is the Public Service Management (PSM) component was also underway. This component was a key ingredient of the overall Public Service Reform Programme (PSRP). This component focused on the effective management of the people employed in the civil service in order to improve their performance and that of the ministries and institutions for which they work. It was a prerequisite for effective implementation of the other two components. It was envisioned by the government and the donors that the PEMFA component would not succeed without a public service where employees are carrying out the right jobs, possess the appropriate skills to undertake them, and are motivated to perform well. In this regard all the three components were

expected to move at the same pace of implementation. This component was estimated to run at a cost of US\$22.83 million to which the World Bank was expected to contribute US\$12 million and the remaining cost was covered by other donors including the European Union and the UNDP (Public Service Management Programme World Bank Report No. 32502, 2005).

Kondowe, the Director PSCAP/ PSMP Cabinet Office indicated that, under the PSM component, the government and the World Bank had some misunderstandings over hiring a consultant to develop the Public Service Pay Roll Policy. Because the World Bank believed that the Zambian government had no capacity to handle the entire reform process sufficiently, the institution involved itself in the hiring of a consultant to develop a policy. After assessing a number of consultants, one seemingly appropriate consultant was hired to do the job. The government, after further consultations, discovered that the consultant who was hired had done some shoddy work in Malawi and Namibia. Thus the government had to drop this consultant. This led to the World Bank to pull out from funding the policy stating that the government went against what was agreed during the assessment of consultants. However, the government requested the British Department for International Development to fund the policy which saw its adoption. Eventually, the World Bank came in and asked for reports because it was still interested in the adoption of this policy (Interview with Mr. Moses Kondowe, the Director PSCAP/ PSMP Cabinet Office on 2<sup>nd</sup> October 2012). According to Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office one of the great achievements under this component was the implementation of the computerised pay roll system which has reduced delays in salaries of civil servants. This computerised pay roll system has also helped in removing redundant or ghost workers from the pay roll system in so doing contributing to good governance in the area of public service remunerations (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012).

The third component which is the Retrenchment component was estimated at a cost of US\$10 million. Similarly to the PEMFA component, the World Bank under retrenchment supported the project with consultancy services at a cost of US\$643,800. The Eastern and Southern African Management Institute was engaged to undertake job

evaluation and develop a new pay structure. As opposed to the other two components which were funded through a pool funding mechanism, this component was solely funded by the World Bank (Public Service Management Programme World Bank Report No. 32502, 2005). Under the 1993 reforms and PSCAP, Palale stated that those retrenched were not been fully absorbed by the private sector since the latter has also shrunk over the years and this has greatly contributed to the increase in the general unemployment levels. Consequently the government needed to mobilise adequate resources for paying separation packages and for the implementation of a comprehensive social safety net programme to cushion the impact of unemployment on those who would be retrenched. Thus, the World Bank had to be incorporated again to meet the required resources (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 11<sup>th</sup> July 2012). In January 2007, the World Bank team led by Palale undertook a midterm review of the project which involved assessing the progress made by scrutinising progress reports prepared by the government (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 11<sup>th</sup> July 2012). As of 2005, the numbers of jobless civil servants rose to about 114, 000 due to continued retirement programme under the PSMP. It should be observed also that retrenchment was accompanied by freeze on employment particularly during the 2000 PSRP. This was one of the conditionalities that Zambia was exposed to during the 2000 Enhanced Highly Indebted Poor Countries Initiative (HIPC), a World Bank/IMF strategy for debt recovery in Zambia. In addition to a wage freeze on the civil service, HIPC also demanded restrictions on civil servants salary increments (Public Service Management Programme World Bank Report No. 32502, 2005). According to Mr. Kondowe, the Director PSCAP/ PSMP Cabinet Office, the restriction of salary increments affected the morale of civil servants. There was late reporting and less time committed to work among the bureaucrats which even affected service delivery in many government ministries in so doing undermining good governance (Interview with Mr. Moses Kondowe, the Director PSCAP/ PSMP Cabinet Office on 2<sup>nd</sup> October 2012).

Kanganja, the Performance Management Analyst Office of the President at Cabinet Office mentioned that the World Bank remedial measures to address the effects of retrenchment have not been adequate enough. Despite the provision of the World Bank

Safety Net Scheme for training the retrenched in various entrepreneur skills, it has been difficult for the retrenched to acquire loans from Banks without proper collateral. One World Bank official said, “It is not the responsibility of the World Bank to look after those retrenched after their retrenchment package”. This means that the World Bank safety net scheme programme is not adequate enough as it does not ensure total security for the victims of retrenchment. Retrenchment has been carried out in almost all the public service reforms despite its serious repercussions on the Zambian work force (Interview with Mr. Kalenga Kanganja, the Performance Management Analyst Office of the President Cabinet Office on 2<sup>nd</sup> October 2012). Another aspect that the World Bank and its cooperating donors have not addressed adequately is the aspect of awareness of these policies. Low awareness of many policies still continues to impair the impact of the reforms on the socio-economic development of the country. This is because, since most Zambians are not aware of the existence and provisions of certain policies brought by these reforms, they are unable to access them or positively contribute to their implementation and success (Interview with Mr. Chipenzi the FODEP executive director on 1<sup>st</sup> August 2012).

Despite the pitfalls that have been associated with public sector reforms in the country, many donors have had keen interest in supporting these reforms because they facilitate accountability and transparency in managing donor funds (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011). Palale stated that if these reforms had not been spearheaded by the World Bank, other donors such as the European Union or the UNDP would have taken interest to lead them. The World Bank has mainly been impelled in funding these reforms because the public service is a gateway for managing public resources. Even the loans that the World Bank gives to Zambia are considered to be part of public resources. This is because the World Bank is funded by public funds from its bilateral partners among them, the USA and Great Britain. The implication of this is that the public service in Zambia has to be effective and efficient enough to ensure that there is accountability and transparency in the management of these resources. The fact that the World Bank is funded by its member countries implies that it must be accountable to the citizens of these countries. Thus the Bank has to ensure that there is accountability over the loans it gives out to the

Zambian government so that in turn it can be accountable to its finders (Interview with Patricia Palale, the World Bank Public Sector Management Specialist on 19<sup>th</sup> September 2011).

### **3.6 Conclusion**

This chapter has established how multilateral institutions mainly the World Bank have been promoting good governance in Zambia through public service reforms. In this chapter, it has been discovered that the World Bank has been in forefront of public service reforms by mobilising other donors like the European Union to assist in funding these reforms. The major reforms that the Bank and its cooperating donors have addressed in Zambia include, the 1993 public service reforms, the 1994 financial and legal management upgrading project, the 2000 public service capacity building project and the 2005 public sector and management programme-support project.

In 1993, the major impact of the role of the World Bank in the reforms was to set the reform process in motion through its conditionalities. These reforms introduced professionalism and public service ethics among bureaucrats in the country in so doing contributing to good governance. As a result of these reforms, presidential appointments at the level of permanent secretary in some ministries, was made on specialised field of study which brought about improved performance of the bureaucracy in service delivery. In addition, the 1993 reforms acted as a benchmark of better ways of reforming the public sector and also acted as a learning process for many technocrats. However, the 1993 reforms negatively affected the Zambian work force through retrenchment which was the beginning of job losses in the public sector of the country. After the 1993 reforms, the World Bank funded FILMUP.

FILMUP contributed to the upgrading of the legal, financial and procurement aspects of the country thereby contributing to good governance in these areas. Specifically, FILMUP significantly contributed to transparency in the legal system of the country by printing and disseminating the Revised Laws of Zambia (1995 edition). FILMUP also decentralised procurement by establishing Procurement Units in about 20 ministries and parastatals which helped to improve transparency and effectiveness in public procurement. This was followed by the acquisition of computers and installation of public procurement software which has reduced processing time and tender costs

which also contributed to effectiveness and efficiency in the procurement system of the country. In the area of finance, FILMUP strengthened the accounting profession by helping ZICA introduce a locally administered accounting technician qualification which trained between 600 and 700 technicians country wide by the year 2000. This helped to improve capacity among Zambian accountants. After FILMUP was completed, the World Bank continued to fund more reforms in the country.

The chapter has established that in 2000, PSCAP followed which was the major World Bank funded reform programme aimed at improving accountability and transparency in financial management and in service delivery in the country. In the financial management, PSCAP improved transparency and accountability through the implementation of the Integrated Financial Management Information System (IFMIS) which is aimed at supporting timely and accurate recording of financial data by all spending agencies. In addition PSCAP contributed to improvement in service delivery in the public sector as justified by a study conducted by the University of Zambia in 2004 to 2005. Furthermore, PSCAP reduced government burden of over spending on the civil service by reducing it to a suitable number of bureaucrats. However, it should be noted that the exercise of rightsizing was not adequately carried out because it excluded some ministries. In addition, more money was being paid to ghost workers. After completing PSCAP, the World Bank further funded PSMP which was aimed at improving components of PSCAP.

According to the findings of this chapter, the major impact of PSMP on the civil service was the implementation of the computerised pay roll system which has reduced delays in salaries of civil servants thereby contributing to effectiveness and efficiency in the public sector. This computerised pay roll system has also helped in removing redundant or ghost workers from the pay roll system in so doing contributing to good governance in the area of public service remunerations. However, PSMP contributed to job loses that were started by earlier reforms. In addition the restriction of salary increments by the Bank affected the morale of civil servants. There was late reporting and less time committed to work among the bureaucrats which even affected service delivery in the country.

Having discussed public service reforms and multilateral institutions in Zambia, the next chapter looks at these institutions and political reforms in the country.

## References

- Bwalya, M.C. (2006). "Public Service Reforms: The Zambian Experience," in Kiragu, K., *Public Service Reforms in Eastern and Southern Africa: Issues and Challenges*; Mkukina Nyota Publishers, Dar es Salama, Tanzania.
- Government of Zambia (1993). *Public Service Reform Programme*, Cabinet Office, Lusaka.
- Government of Zambia (2002). *Poverty Reduction Strategic Paper*, Lusaka, Zambia.
- Kaela, Laurent, C. W. et al (2004). *Zambia National Governance Baseline Survey Report*, Department of Political and Administrative Studies: University of Zambia.
- Mafuleka, Wetson. (1996). *Public Policy Making, Implementation and Development in Zambia*, PhD Thesis, University of Zambia: Lusaka
- Stumbeko, L.C. and Zulu, J.J. (2004). *Zambia Condemned to Debt: How the IMF and the World Bank have Undermined Development*. World Development Movement: London.
- World Bank (1993). *Financial and Legal Management Upgrading Project Report No. 11817- ZA*, World Bank: Lusaka, Zambia.
- World Bank (2005). *Public Service Capacity Building Programme Report No. 34450*, World Bank: Lusaka, Zambia
- World Bank (2005). *Public Service Management Programme Report No. 32502*, World Bank: Lusaka, Zambia.
- [www.worldbank.org/wbi/governance](http://www.worldbank.org/wbi/governance): Accessed on 20/06/2012

## **CHAPTER FOUR**

### **PROMOTING GOOD GOVERNANCE IN ZAMBIA THROUGH POLITICAL REFORMS**

#### **4.1 Introduction**

This chapter addresses the efforts made by multilateral institutions in political reforms in Zambia that are essential for the enhancement of good governance. To a great extent, this chapter concentrates much on the UNDP as it has been the key multilateral institution promoting governance in the country from this dimension. It particularly looks at what the institution has been doing to enhance good governance through support towards the electoral process, parliamentary reforms, the decentralization process and human rights. In the process of discussions however, the World Bank's efforts are also highlighted as it has also in one way or another influenced political reforms in the country.

Since attaining independence in 1964, Zambia has undergone a number of political reforms. Just after independence in the first republic, Zambia was a multiparty system with the right to vote being one of the important rights Zambians were enjoying. During this time, the main opposition was the African National Congress (ANC) and the civil society consisted mainly of the labour movement and the Catholic Church. The second republic came with outlawing of opposition political parties justified as a uniting factor aimed at enhancing national development. During the first and second republics, multilateral institutions such as the World Bank concentrated much on giving Zambia loans for economic development. Support towards governance came later in the third republic after economic development failed to take off due to alleged poor governance. The third republic which was mainly influenced by western capitalist values, re-introduced multiparty politics. This new political dispensation brought in inclusive political participation and opened up a wider opportunity for inclusive development. From this point onwards, governance became an important aspect for international development. This saw multilateral institutions like the UNDP in January 1997 publishing a policy document entitled "Governance for Sustainable Human Development", articulating UNDP's commitment to supporting national efforts for good governance for sustainable human development in Zambia and in other developing countries. This policy paper marked the UNDP actual commitment to good governance in

the country. It stipulated the parameters on which governance in the country is currently being funded.

#### **4.2 The UNDP and its Support towards the Electoral Process in Zambia**

This section examines the support that the UNDP has given towards the electoral process in the country. According to Mr Soko the UNDP Head of Governance Unit, from 2005 to 2006 through to 2008 the UNDP concentrated its support of the electoral process in form of funding the Electoral Commission of Zambia to enhance its capacity to carryout elections adequately (Interview with Mr. Soko the UNDP Head of Governance Unit on 29<sup>th</sup> May 2012). The UNDP/ECZ Senior Election Officer stated that for this support to initiate in 2005, the Zambian government with support from the UNDP had to negotiate with donors requesting for funding of the electoral process. From 2005, the UNDP has been playing the role of mobilising donors and managing donor funds that are meant for supporting the electoral process (Interview with Paul Anderson, the UNDP/ECZ elections senior officer on 20<sup>th</sup> August 2012). With adherence to the conditions of the UNDP and other donors the electoral process in the country has received substantial funding from donors.

In 2005 the institution funded the Electoral Commission of Zambia to conduct needs assessment and voter education at a cost of approximately US\$1.4 million. In addition, Electoral Commission received about US\$0.25 million from UNDP to enhanced management skills at ECZ and to help in the preparation of the roadmap for the 2006 elections. From the same US\$0.25 million, the Commission staff received on-the-job training regarding election management. Further, the US\$0.25 million from UNDP helped to develop modules and training manuals and trainers were instructed in the dissemination of voter and civic education. A national consultation process and civic awareness programmes took place in all 150 constituencies (Interview with Mr. Soko the UNDP Head of Governance Unit on 29<sup>th</sup> May 2012).

In 2006, through a UNDP managed Trust Fund, nine cooperating donors namely Canada, the European Commission, Finland, Ireland, Netherlands, Norway, Sweden, the United States of America and UNDP provided support for the 2006 Elections specifically in the area of voter education and sensitisation. The funds, totaling US\$7.3 million were

mobilised by the UNDP from these named donors to support the 2006 presidential, parliamentary and local government elections. Of this total, the UNDP contributed US\$ 250,000. From the same Trust Fund, a number of civil society organisations including Foundation for Democratic Process (FODEP), Anti-Voter Apathy (AVAP), Non-Governmental Coordinating Council (NGOCC), Southern African Center for Conflict Resolution and Disputes (SACCORD) and Transparency International Zambia (TIZ) were engaged to carry out voter education across the country. Each of these organisations accessed about 300 million kwacha from UNDP for voter education. (Interview with Mr. Soko the UNDP Head of Governance Unit on 29<sup>th</sup> May 2012).

After the 2006 elections, the government needed additional support from the UNDP to fund the Electoral Commission in readiness for future elections. Thus Paul Anderson, the UNDP/ECZ Elections Senior Officer, stated that in 2008, a Preparatory Assistance Project funded by the UNDP and the European Union totaling US\$0.8 million was set up with a view to supporting Electoral Commission and Department of National Registration Passport and Citizenship (DNRPC) in addressing capacity development, and assessments of the DNRPC. Some of the activities undertaken with this support relate to the development and implementation of a curriculum for training and certification of electoral officials, revisions to the results management system, input to legal reform and training of permanent ECZ staff in electoral administration. In addition, a needs assessment study of the DNRPC was conducted to elaborate support required by DNRPC for the creation of a more secure and accurate electronic civil register. Such a register was meant to facilitate the implementation of continuous voter registration. This project was meant for the 2011 presidential, parliamentary and local elections. However when President Mwanawasa died in 2008, the project changed direction, and was used to hold a presidential by-election in October 2008. International donors namely the governments of Finland, Japan, Norway, Sweden, the United States of America, as well as the European Union, contributed over US\$ 11.5 million towards support of the 2008 by-election while the UNDP contributed about US\$6.5 million (Interview with Paul Anderson, the UNDP/ECZ elections senior officer on 20<sup>th</sup> August 2012).

Another project that the UNDP supported towards enhancing the electoral process in Zambia was entitled, “Strengthening Electoral Process in Zambia: Support to the 2009-

2012 Electoral Cycle”. The Project which started in 2009 supported capacity development of the Electoral Commission of Zambia, national institutions and civil society organisations towards organising and managing of the electoral process. The “Electoral Cycle Approach” assistance has been developed by donor agencies among them the European Union, IDEA and the UNDP (Support to the *Zambian Electoral Cycle Report 2009-2012*). According to the UNDP Project Manager for Elections, in order for this electoral cycle project to be administered effectively, the UNDP established a UNDP section at Electoral Commission managed by a Technical Support Team. This team has been mandated to administer and manage project activities in partnership with Electoral Commission. The Technical Support Team is headed by the Project Manager and is assisted by other officers who are specialised in electoral procurement, logistic and finance/administration. The Technical Support Team emoluments have been under the mandate of UNDP. It is helping Electoral Commission to address six components of the electoral cycle project which are: (i) increasing participation in the democratic process; (ii) developing shared democratic values; (iii) enhancing the integrity and accountability of the process; (iv) promoting sound electoral management practices; (v) efficient use of national resources; and (vi) the development of desirable synergies with other state institutions. An overall Donor Coordination Mechanism that includes heads of donor agencies – both those contributing to a common basket fund and those contributing to the elections through bilateral or other means – has been chaired by the Technical Support Team. The total funding of this project was US\$20 million (Support to the *Zambian Electoral Cycle Report 2009-2012*). Out of these funds, UNDP contributed approximately US\$ 7.5 million in support of the project.

The Electoral Cycle Project has been the largest electoral project funded by the UNDP in the country. From this project, the police officers were trained in human rights so that they could be able to police elections effectively during the 2011 general elections. In addition the media was trained in skills required to cover the electoral process effectively in an impartial way. Funds from this Project also facilitated for the establishment of continuous voter registration beyond the 2011 general elections. Since the introduction of continuous voter registration, the number of registered voters has been increasing (Interview with Paul Anderson, the UNDP/ECZ elections senior officer on

20<sup>th</sup> August 2012). Further, a total of 11 local civil society organisations which included Southern African Center for Conflict Resolution and Disputes (SACCORD), Forum For Democratic Process (FODEP), Transparency International Zambia (TIZ) Anti voter Apathy (AVAP) and Operation Young Vote Received 400 million kwacha each in form of grants to mainly conduct Civic Voter Education across the country (Interview with Mr. Boniface Cheembe, the Programmes Manager for SACCORD on 18<sup>th</sup> April 2012). According to the SACCORD annual report 2011, during the 2011 elections, 1500 voter education flyers were produced and distributed. Roads shows on voter education were conducted in three targeted districts of Solwezi, Kabwe and Kitwe. The 400 million kwacha that FODEP received from UNDP was used to train its members on how to conduct voter education and to open FODEP clubs in four schools in northwestern and southern Provinces. The UNDP also disbursed 400million Kwacha to Operation Young Vote with the view to enhance youth participation in the electoral process (Interview with Mr. Chipenzi, the FODEP executive director on 11<sup>th</sup> June 2012).

In recognition of the adverse effects of corruption on the electoral process, the UNDP funded Transparent International Zambia in the 2011 general elections at approximately 400million to carryout sensitisation programmes on anti-corruption in the electoral process. This involved giving information to the citizens that enlightens them on how politicians corrupt electorates and when an act is considered one of corruption. This exercise was conducted in all the nine provinces of the country. In this regard, Mr. Yubai, the Programmes Manager for Transparency International noted that the UNDP support towards the electoral process is important because it allows the Electoral Commission, civil society organisations and other stake holders to put in measures that allow free and fair participation of electorates in the electoral process. (Interview with Mr. Yubai, the Programmes Manager for Transparency International Zambia on 4<sup>th</sup> July 2012).

While recognising that funding from the UNDP and other cooperating donors has enhanced the electoral process in the country, the FODEP Director Mr. Chipenzi mentioned that funding for big organisations like SACCORD or FODEP during the 2011 elections was limited. For instance, big organisations like FODEP were given the same funding as small organisations like AVAP. He further stated that the funds given to FODEP were not enough to conduct all the necessary activities of the elections

effectively while for small organisations they could have been adequate. Mr. Chipenzi also pointed out that, the UNDP together with its cooperating partners has the tendency of “dictating” what electoral areas to address when giving funding. For instance, during the 2011 elections, the focus was only on voter education. This has made many local civil society organisations weak in terms of addressing other electoral issues which could be more important to Zambians. Ultimately, this has contributed to the “donor driven governance syndrome” (Interview with Mr. Chipenzi, the FODEP executive director on 11<sup>th</sup> June 2012). In addition, problems in accessing donor funds were also exposed. For example according to the SACCORD Programmes Manager, the disbursement of funds during the 2011 elections was delayed due to bureaucratic procedures on the part of the UNDP which also delayed the execution of electoral activities by civil society organisations. The activities were carried out close to the day of voting and many people thought that they were done to manipulate the voting behaviour among the electorates. With this situation at hand some problems arose. For instance, some people demanded more money to be trained in civic and voter education than what was budgeted for. However, they had to be convinced that the programmes were in their own best interest to finally participate (Interview with Mr. Boniface Chembe, the Programmes Manager for SACCORD on 18<sup>th</sup> April 2012).

However donor funds have been playing a significant role in improving standards in the electoral process of the country. Mr. Chipenzi said that from 2006 to 2011 elections, there has been a gradual increase in the voter turnout of course with an exception of the untimely elections of 2008. One of contributing factors to the increase in voter turnout is consistent voter education supported by the UNDP and other donors. In 2008, voter education was limited due to the nature of the elections which were untimely as a result of the death of Mwanawasa. It was only conducted in a weak. Coming to 2011, elections were well organised and well-funded from donors like the UNDP and the European Union. Voter education was done in all the 9 provinces of the country. FODEP and SACCORD conducted Voter Education in 8 districts each with the rest of the districts catered for by other NGOs. This contributed to increase in voter turnout and change in the voting behaviour of the electorates which eventually saw the removal of the MMD government from power. Mr. Chipenzi added that the performance of the Electoral

Commission has also been improving in terms of elections preparations due to consistency in donor funding. For instance, in 2006, there was no continuous voter registration but in the run-up to the 2011 elections continuous voter registration was introduced which increased the number of registered voters from about 4 million and 9 hundred thousand in 2008 to about 5 million and 2 hundred thousand in 2011 (Civil Society Election Monitoring Report 2008). Furthermore, with support from donors like the UNDP and European Union, the 2011 elections were carried out more fairly than the previous ones (Interview with Mr. Chipenzi, the FODEP executive director on 11<sup>th</sup> June 2012).

On the other hand, the UNDP/ECZ Elections Senior Officer stated that the UNDP has in some instances found it difficult to work with civil society organisations. In their endeavor to champion certain agendas, these organisations have on some occasions made biased political statements. For instance, during the campaign period, the executive director of The Forum for Leadership Search was making statements which associated the PF with political violence and the MMD as the better party to win the 2011 elections. This compromised the credibility of the UNDP at that time being the funder of the activities of most of these organisations (Interview with Paul Anderson, the UNDP/ECZ elections senior officer on 20<sup>th</sup> August 2012). However, despite these concerns from various stakeholders, the Electoral Commission has always been well supported by donors and local partners.

The UNDP/ECZ senior election officer further indicated that the UNDP has shown keen interest in supporting the Electoral Commission because it thinks that Zambia as a country has taken substantial steps in advancing good governance through democracy. He added that donors have been hesitant to fund electoral processes of many African countries because of lack of commitment towards democratisation. He stated that in a country like the Democratic Republic of Congo for where political structures are perceived to be weak, some donors may be hesitant to fund the electoral process because of fear of having the funds wasted. This is different with the case of Zambia. Since the inception of MMD government, donors feel that there has been a gradual progress towards democratisation although in some instances there have been cases of alleged corruption in elections. This perceived commitment that the country has exhibited

towards democratisation has enable it create good relations with donors who have and still helping in advancing good governance in the country (Interview with Paul Anderson, the UNDP/ECZ elections senior officer on 20<sup>th</sup> August 2012).

#### **4.3 The UNDP and Parliamentary Reforms in Zambia**

The second area of support that the UNDP has given towards political reforms in Zambia has been its support towards reforming the Parliament. This has been aimed at ensuring that the voted representatives operate in an effective institution. Reforming the Parliament is important as the institution is in charging of passing laws of the country. According to the Programmes Officer for Parliamentary Reforms Programme at the National Assembly, the kick-off of Parliamentary Reform Programme (PRP) in Zambia took place as a result of the re-introduction of multipartism which demanded reforms of key governance institutions to embrace the new political dispensation in the country. The government with its cooperating donors among them the UNDP and the European Union decided to realign the functions and the structure of Parliament with the demands of plural politics to make it an institution through which the citizens would participate in determining their national agenda. The aim of the Parliamentary Reform Programme was to enhance parliamentary oversight over the Executive and also to allow increased participation of the citizens in the affairs of the country (Interview with Mrs. Mumbi, the Programmes Officer for Parliamentary Reforms Programme at the National Assembly on 3<sup>rd</sup> September 2012).

The National Assembly and a consortium of cooperating partners among the major ones the UNDP and the European Union signed a memorandum of understanding on the parliamentary reform project on 21<sup>st</sup> November, 2002. In the memorandum of understanding, it was agreed that the National Assembly will be fully accountable and responsible for the implementation of the programme and the management of the funds contributed by the cooperating donors. It was also agreed that the National Assembly will keep financial records in accordance with international reporting standards and the government of Zambia financial regulations. Thus, the above requirements were the prerequisites for the UNDP and its cooperating partners to fund the reform programme. The statement of understanding also outlined that the parliamentary reform project by the

national assembly will be done in phases (Interview with Mrs. Mumbi, the Programmes Officer for Parliamentary Reforms Programme at the National Assembly on 3<sup>rd</sup> September 2012). The first phase was a period for the designing and planning of the project, while phase two was a period for the commencing of the actual implementation of the project. Phase two was implemented during the period November 2003 to June 2007 with a total basket fund of about US\$4.5 million. Among the major donors included the UNDP, United States of America, Sweden, Netherlands and Canada (Parliamentary Reform Programme Brief, 2002). Mrs. Mumbi indicated that under Phase two, the committee system was improved by opening committee meetings to the public and also through capacity enhancement by attaching Members of Parliament to other Parliaments with the SADC region and holding workshops on specific topics like Budget Cycle and MP and the Media. In addition, 28 Constituency Offices were established together with a Parliament Radio covering the line of rail. These measures have helped in taking the parliament to the grassroots and also enabling the people to pass their views to government in so doing enhancing good governance in the country.

Phase three commenced in 2008 to continue with the goal of phase two which is to increase the independence and effectiveness of the National Assembly as a representative agent oversight for change and reform in the democratic governance system of Zambia. Out the total budget of US\$ 1.4 million, the UNDP contributed US\$993,381 while the other US\$378,272 came from the European Union. National Assembly on the other hand is playing the role of implementation as the project is ongoing (Parliamentary Reform Programme Phase Three Report 2011). With the US\$1.4 million from the UNDP and the European Union, the project in 2008, focused on the following achievements: all committee chairpersons were trained in managing meetings and a manual was developed to ensure that the capacity remains in the National Assembly when incumbents move on. Also this financial support from UNDP and European Union facilitated for Committee members and supporting staffs to visit parliaments in other SADC countries to learn how other Parliaments in the region conduct their affairs. In addition, public access to information was enhanced through upgrading the national assembly web site, which was developed with UNDP financial support at a cost of about US\$ 8,000 in 2005. A contact directory for all members of

parliament was also produced from the same funding of US\$8,000. Information sharing within the National Assembly was improved through completion of the information communication technology (ICT) network and staff training in network security. Two orientation workshops on parliamentary processes and procedures were held for new MPs. The project benefited from an effective management solution, managed by the national assembly. This reduced transaction costs and ensured that rules and regulations of the National Assembly were followed (UNDP Report, 2009).

Mrs. Mumbi stated that with all the changes and capacity building conducted in PRP II and now PRP III, the question is whether the committee system has improved as envisaged in the programme design. The general outlook is that there are some improvements in the work of the Committees and this is exemplified by the number of amendments made to the national budget, the number of amendments made to legislative bills before parliament and the number of committee reports adopted by the house in so doing contributing to good governance in the country significantly. (Interview with Mrs. Mumbi, the Programmes Officer for Parliamentary Reforms Programme at the National Assembly on 3<sup>rd</sup> September 2012). In 2011 for instance, the House adopted 26 Committee reports. This is seven reports more than those adopted in 2010 (Parliamentary Reform Programme Phase Three Report, 2011). Table 4.1 indicates the number of amendments to the budget and the number of substantive amendments to Bills arising from the committee work.

***Table 4.1 number of amendments to the budget and to Bills from 2008 to 2011***

Duration	2008	2009	2010	2011
No. of Amendments to the Budget	8	59	5	13
No. of Amendments to Bills	158	11	50	54
No. of Bills Considered	19	33	49	28

***Source: PRP iii 2011 Report***

Nonetheless, the number of members of the public attending committee sittings has been decreasing drastically since 2008, and the Committees have not held any public forum to reach out to the public. This is a setback on the promotion of good governance in that the

reform process is aimed at ensuring adequate participation of the people in national matters (Parliamentary Reform Programme Phase Three Report, 2011).

Even if the PRP has been seen to be addressing the demands of plural politics in the country, it has had its own pitfalls. The Programmes Officer for Parliamentary Reforms Programme indicated that firstly, the negotiations for funding between the government and the cooperating partners took time for the agreement to be reached. This was also accompanied by delays in the actual disbursement of funds by the UNDP and its cooperating partners. This meant that the actual reform process was delayed. This would have had serious effects on the seatings of the committees as the officials involved in these programmes were still undergoing capacity building trainings. To handle this problem, the trainings of the officials were done continuously which was so much stressful but of course beneficial in the end (Interview with Mrs. Mumbi, the Programmes Officer for Parliamentary Reforms Programme at the National Assembly on 3<sup>rd</sup> September 2012). Secondly, there have been concerns from civil society organisations over participation in the reforms as observed from the meetings held in 2011 between civil society organisations and members of parliament. The organisations complained that international donors of late have opted to support the government directly through budget support or sectoral support. This has adversely affected the capacity of these organisations in offering effective monitoring activities to reform programmes going on in the country (Interview with Mr. Chipenzi the FODEP executive director on 11<sup>th</sup> June 2012). However, although the PRP implementation did not involve the general public and civil society organisations, the National Assembly and donors addressed this issue by involving the civil society organisations in the evaluation process of the PRP. This means that views of the public were somewhat taken into consideration through the evaluation process (Interview with Mrs. Mumbi, the Programmes Officer for Parliamentary Reforms Programme at the National Assembly on 3<sup>rd</sup> September 2012).

Although, there could be some pitfalls identified with the PRP, Mrs. Mumbi further pointed out that the UNDP and its cooperating donors has never at a time withdrawn funding from this programme. Most donors feel mandated to fund PRP in Zambia because these reforms enhance good governance which these donors are not only advocating within their own countries but also in other countries. Therefore, the National

Assembly being a key institution in passing governance laws that address developmental issues in the country, it deserves adequate funding from both cooperating partners and the Zambian government (Interview with Mrs. Mumbi, the Programmes Officer for Parliamentary Reforms Programme at the National Assembly on 3<sup>rd</sup> September 2012).

#### **4.4 Multilateral Institutions and the Decentralisation Process in Zambia**

In addition to its support towards the electoral process and parliamentary reforms, the UNDP in the country has also been active in funding the decentralisation process. In the 2002 to 2006 period, UNDP support for the strengthening of decentralisation and local coordination was channeled through the design, implementation and formulation of a mechanism promoting the consultative process of decentralisation (Interview with Mr. Brian Chumpuka, the Assistant Director - Legal and Institutional Reforms, Decentralisation Secretariat on 13<sup>th</sup> June 2012). The support towards decentralisation by UNDP has been intended to promote good governance in the country through bringing decision making closer to the people. According to the Assistant Director - Legal and Institutional Reforms at the Decentralisation Secretariat, in 2002 Zambia adopted the Decentralisation Policy with the help of the UNDP and the World Bank at approximately US\$1.1 million. In addition, this funding facilitated for the establishment of the Decentralisation Secretariat in 2003 with the procurement of office furniture and equipment for the Secretariat. Further, the UNDP donated five vehicles for the general operations of the secretariat. The director added that UNDP funding at this time was very important to the Secretariat because there was limited funding from the government. Therefore, this funding gave momentum to decentralisation activities in the country (Interview with Mr. Brian Chumpuka, the Assistant Director - Legal and Institutional Reforms, Decentralisation Secretariat on 13<sup>th</sup> June 2012).

From September 2004 to December 2006, Dr. Esau Chiviya a Zimbabwean by nationality was hired as a consultant by the UNDP as a Chief Technical Advisor, at decentralization secretariat at a cost of approximately US\$0.4million. Dr. Chiviya was responsible for providing technical advice in the implementation of the country's National Decentralization Policy. Specifically, the consultant helped in the preparation of the implantation plan for decentralisation, definition of the roles and functions of the

council vis-à-vis central government at the district level, development and utilization of management manuals, strategic planning and performance appraisal for local government institutions. In the implementation process the World Bank, the UNDP together with other donors like German and the government of Zambia agreed to collaborate around a basket funding mechanism. The arrangement entailed shared responsibility for the management of the basket fund among the UNDP, the World Bank and other donors and the government of Zambia. According to the Assistant Director - Legal and Institutional Reforms at the Decentralisation Secretariat, the World Bank was supposed to fund infrastructure development under the decentralisation process in the country. However, limited progress was made in implementing the decentralisation policy. Some donors, that included the World Bank, decided to discontinue their support to the exercise in 2007 citing lack of political will from the Mwanawasa government to the whole process (Interview with Mr. Brian Chumpuka, the Assistant Director - Legal and Institutional Reforms, Decentralisation Secretariat on 13<sup>th</sup> June 2012). The Assistant Director - Legal and Institutional Reforms, Decentralisation Secretariat added that the lack of political will on the part of the government was characterised by delay in adopting the decentralisation plan. The government justified this inadequacy by arguing that it was still trying to understand the content of the plan. However, the actual reason for the delay was that the MMD government did not want to give up some powers to the local authorities during that time as the majority of the councilors were under the Patriotic Front. The decentralisation process to a larger extent was seen by the MMD as a tool of strengthening the opposition and weakening the ruling party as it demanded the transfer of power from the central government to the local councils. In this sense, the government perceived the implementation plan as a threat to archiving its political agenda hence the delay (Interview with Mr. Chumpuka, the Director of Institutional and Legal Reforms of the Decentralisation Secretariat on 19<sup>th</sup> July 2012).

In addition, the decentralisation process in the country has been delayed by the donors themselves. Mr. Chumpuka stated that although the UNDP agreed to support the decentralisation process in the country, it was difficult to access funds from the institution on time for the implementation process due to excessive bureaucracy. The disbursement of funds took too long as it involved the approval from officials from the Department of

Political Affairs at the UN headquarters in New York. In addition, Mr. Chumpuka mentioned that they were problems relating to donors dictating areas of their interest to be implemented first as opposed to the full implementation of the whole decentralisation plan. For example he mentioned that most donors preferred to fund planning and hesitated in funding the actual decentralisation activities. With this kind of situation, the implementation of the decentralisation policy in Zambia has not realised the fruits of local government hence leaving out the local people from the mainstream of decision making. Nonetheless, even if there are these shortfalls in the operation of the UNDP on decentralisation in Zambia, it should be acknowledged that the UNDP financial support towards decentralisation in the country is very important as it has accelerated the process during the times when the Zambian government was reluctant to fund it (Interview with Mr. Chumpuka, the Director of Institutional and Legal Reforms of the Decentralisation Secretariat on 19<sup>th</sup> July 2012).

Although the World Bank withdrew from funding the decentralisation process, between the years 2009 and 2012, the UNDP initiated a decentralisation support project to fund the implementation of the decentralisation policy. This project was budgeted at a total cost of approximately US\$9,000 to which the UNDP contributed about 62 percent and the rest of the funds come from other cooperating donors such as the British Department for International Development and Danida ([www.undp.org.zm](http://www.undp.org.zm)). The project complemented efforts of the Zambian government in implementation of the decentralisation policy. In particular, the project supported devolution of responsibilities from the central ministries and in the preparation of legislation to support the sector devolution process. However, M.C. Bwalya (2005) argues that even if funding from donors like the UNDP somewhat facilitated for the strengthening of decentralisation institutions such as democratically elected councils, the National Development Coordinating Committees (NDCC), Provincial Development Coordinating Committees (PDCC) and the District Development Coordinating Committees (DDCC), there seem to be no visible sign to indicate how effective these structures are. This is because in an environment of scarce resources, the maintenance of parallel operating structures (i.e. Councils on one hand and district administration on the other) has proved to be expensive on the part of the government. This has been exacerbated by the attitude of most donors

such as the UNDP and the World Bank who concentrate on budgetary funding at the headquarters level of central government which in turn has been inhibiting effective and sustainable service delivery at district level. For instance, more attention was given to funding the development of the decentralisation policy and the secretariat as opposed to strengthening local structures which are key to archiving sustainable decentralisation. This concentration of funding at the centre has weakened local structures resulting into poor participation of the people at local level in so doing undermining good governance in the country.

However, despite some of these problems experienced in the implementing of the decentralisation policy, Mr. Chumpuka stated that the UNDP and its cooperating donors have keen interest in supporting decentralisation in Zambia because they feel that through a decentralised system of governance, accountability and transparency is enhanced in service delivery. This is so because decentralisation enhances people's participation hence making collective decisions in public interest. Through participatory decision making, chances of corruption are also reduced because they are many stakeholders at play counter checking each other (Interview with Mr. Chumpuka, the Director of Institutional and Legal Reforms of the Decentralisation Secretariat on 19<sup>th</sup> July 2012).

#### **4.5 The UNDP and its Support towards Human Rights in Zambia**

The UNDP has also been involved in supporting human rights in the country. From 1997 to 1999, the UNDP support to the Commission was only in form of financial assistance towards developing the Human Rights Annual Reports which were running at approximately K35, 000 per year. In 2000, the UNDP intensified its partnership with the Commission with a vision to expand its cause on the promotion of human rights (Human Rights Report, 2006).

According to the Director of Human Rights Commission, for the UNDP to initiate its support to the commission, the UNDP and the Human Rights Commission had to come up with a work plan for the period of 2000 to 2004 as a guide for activities of the Commission during this period. The UNDP supported the Commission with its technical support in terms of officials with knowhow in matters of human rights in areas of research, planning and advocacy to develop the strategic plan. The commission's work

plan was developed in line with the UNDP strategic plan to ensure that it encompassed areas of human rights that the UNDP support. These include, children's rights, protection of women against any form of abuse such as rape, and the promotion of international human rights declarations under the United Nations among others. The Director for the Human Rights Commission stated that the UNDP only funds human rights activities if they fall under what its strategic plan stipulates. This therefore means that when planning for activities of the Commission, the UNDP Strategic Plan must be considered in order to avoid possibilities of losing funding. The UNDP also always demands that the funds it disburses for human rights activities be handled in an accountable and transparent manner. The Director, however, noted that in an instance where the Commission fails to meet the terms agreed in the work plan, the UNDP has always been flexible to dialogue with the Commission. The fact that the UNDP has been flexible has made the commission working relationship with the UNDP much easier. In this regard, the support from UNDP is important for the activities of the commission because it is the major cooperating partner. Funding from the government is normally limited, thus in an instance where its funding is withdrawn, the whole mandate of the commission can be jeopardised (Interview with the Mr. Mulembe, the Director of Human Rights Commission on 24<sup>th</sup> August 2012).

In the period of 2000 to 2004 the UNDP funded the Commission to implement its activities at approximately US\$1 million. It also performed a role of mobilising other donors which are Danida, Finish Embassy, Norwegian Embassy and Japan who offered a total of approximately US\$850,000 (Human Rights Report, 2004). Through this funding from the UNDP and its cooperating donors, between 2000 and 2004, the Commission conducted human rights education and sensitisation for Law Enforcement Agencies to acquaint officers on human rights standards; the Educational Authorities on awareness of the rights of the child; and members of the public on concepts covering human rights and other issues that affect people's daily lives, ranging from gender based violence and police brutality to poor conditions of service as well as freedom of assembly and association (Interview with, the Research and Documentation Officer for Human Rights Commission on 12<sup>th</sup> June 2012). The Office of the President (OP), the Zambia Wildlife Authority (ZAWA), and the Immigration and Customs Department have also participated

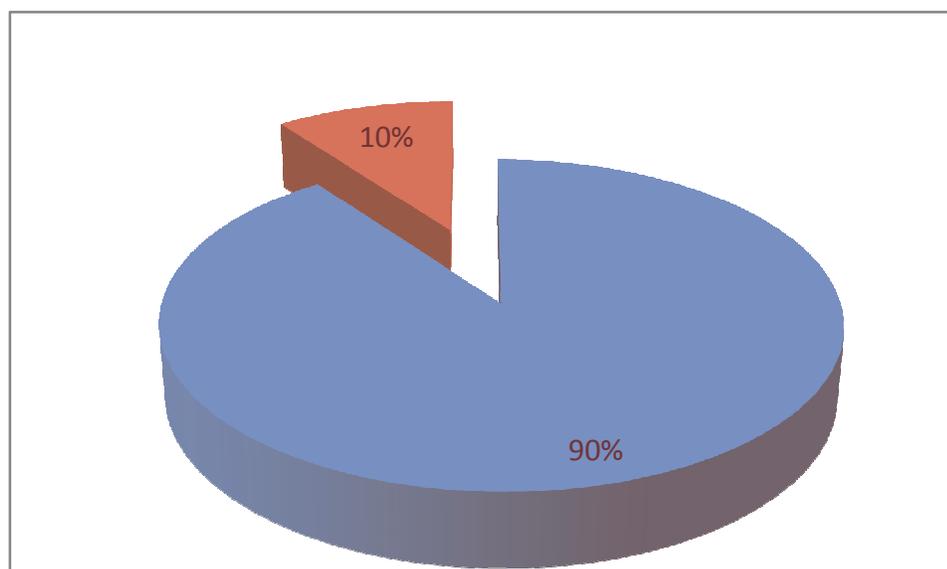
in the human rights education and sensitisation programmes. Until 2004, the Commission had only one office in Lusaka, but through this financial support from the UNDP and its donor partners, the Commission now is now decentralised and has more than five other offices in provincial capitals (Human Rights Report, 2004). The UNDP current support towards the Commission ranges from general operations of the commission to specific projects on human rights promotion and protection.

In 2007, another strategic plan for the period of 2007 to 2011 was developed by the Commission and the UNDP and its cooperating partners in line with recommendations from the UNDP. On 21<sup>st</sup> June, 2006, the director for Human Rights Commission held a meeting with UNDP officials to discuss a new project cycle beginning in 2007 (Human Rights Commission Strategic plan 2007-2011). The meeting explored ways in which the UNDP and the Commission could continue to collaborate in implementing the Commission programmes. It was fulfilling the recommendations of the 2006 meeting that the 2007 to 2011 strategic plan for the Commission targeted. The UNDP supported the development of this plan with technical expertise in the area of research, advocacy and planning. To address the activities in the 2007 to 2011 strategic plan, the UNDP initiated a project cycle called Capacity Development for Human Rights Project which started in January 2008 and expected to end in December 2012. Under this project the UNDP has since provided financial assistance of approximately US\$1.5 million towards the project and technical assistance in terms of personal to give advice on how to prepare annual reports and conduct other activities in the area of research and advocacy ([www.undp.org.zm](http://www.undp.org.zm)). Through this project, the Commission advocated and promoted human rights through annual human rights report; implementation of human rights community radio programmes; mainstreaming of human rights into business management; and through human rights communication strategy development. In addition, the UNDP has played a key role in mobilising other donors to support this project. Over US\$ 1million has been mobilised from donors like German, Norway and Sweden as of 2009 in support of this project (Human Rights Annual Report, 2009).

As part of capacity development for the Commission, the UNDP Capacity Development for Human Rights Project in 2009 ensured that commissioners and staff participated in various training programmes and workshops targeted at enhancing their

contribution to the implementation of the commission mandate. On 24<sup>th</sup> November 2009, the Commission head office and provincial staff participated in a training workshop on proposal and report writing for three days. Also during 2009, a staff performance appraisal was developed and implemented. This system is aims at ensuring, among other things, that staff are remunerated and promoted based on performance (Human Rights Report, 2009). In addition through the UNDP Capacity Development for Human Rights Project, six United Nations volunteers were employed and stationed at the head office and provincial offices. These volunteers are recruited within the country by UNDP and have been helping the Commission to carry out its daily activities such as human rights investigations, education and sensitisation programmes. Remunerations for these volunteers are a mandate of the UNDP (Interview with, the Research and Documentation Officer for Human Rights Commission on 12<sup>th</sup> June 2012). With the support received from the UNDP, there are some improvements in the operation of the Human Rights Commission thereby contributing to good governance in the country. For instance in 2009 the institution investigated a total of 810 human rights cases. About 90 percent of the complaints were successfully resolved through mediation and the recommendations made by the Commission while only about 10 percent were pending (Human Rights Report 2009). The figure below illustrates the information above graphically.

*Figure 4.1 Status of human rights complaints by 31<sup>st</sup> December 2009*



*Source: Human Rights Report, 2009*

In addition to working with the Human Rights Commission, the UNDP has worked with civil society organisations such as FODEP on issues of human rights. The UNDP funded FODEP in 2009 to carry out civic education project in Chongwe. It funded the project at a cost of US\$5,000. The project targeted three schools in the district. These are Chongwe, Evergreen and Kankumba basic schools. It involved teaching human rights to children. This was done by training teachers on human rights issues who in turn disseminated the information to their pupils. The project was aimed at imparting human rights knowledge into school children so that they can become responsible citizens who are capable of participating in national issues adequately (Interview with Mr. Chipenzi the FODEP executive director on 11<sup>th</sup> June 2012). Further, the UNDP has been supporting the commission to commemorate International Human Rights Day which falls on the 10<sup>th</sup> December of every year. During this day, the commission receives support from UNDP in form of materials such as t-shirts and brochures which carry messages on the importance of promoting human rights and why these rights should be protected (interview with, the Research and Documentation Officer for Human Rights Commission on 12<sup>th</sup> June 2012).

The Director of Human Rights Commission noted that multilateral institution such as the UNDP have the interest and mandate to support human rights activities in the country because Zambia is part of the United Nations system and has signed a number of human rights declarations under the United Nations. Among the major ones is the Universal Declaration on Human Rights. In this regard, all United Nations agencies dealing with human rights have the mandate to support Zambia in this area and the UNDP is one of such agencies (Interview with Mr. Mulembe, the Director of Human Rights Commission on 24<sup>th</sup> August 2012).

#### **4.6 Conclusion**

This chapter has established how multilateral institutions have promoted good governance in the country through political reforms. In this chapter, it has been established that the UNDP has been more proactive in reforming Zambia politically than the World Bank. This chapter has also established that while the World Bank has been advancing governance reforms in the country on loan basis, the UNDP on the contrary

has been doing it on grant basis. The chapter has highlighted that the major political reforms in the country by multilateral institutions have been through electoral reforms, parliamentary reforms, decentralisation and through human rights.

The chapter has established that through UNDP and other donor funding, significant improvements have been realised in the electoral process. From 2006 to 2011 elections, there has been a gradual increase in the voter turnout of course with an exception of the untimely elections of 2008. One of contributing factors to the increase in voter turnout is consistent voter education supported by the UNDP and other donors. Coming to the year 2011, elections were well organised and well-funded by the UNDP and the European Union in collaboration with other donors. FODEP and SACCORD conducted Voter Education in 8 districts each with the rest of the districts catered for by other NGOs. This contributed to increase in voter turnout and change in the voting behaviour of the electorates which eventually saw the removal of the MMD government from power. Additionally, the performance of the Electoral Commission has also been improving in terms of elections preparations due to consistency in donor funding. For instance, in 2006, there was no continuous voter registration but prior to the 2011 elections, continuous voter registration was introduced which increased the number of registered voters from about 4 million and 9 hundred thousand in 2008 to about 5 million and 2 hundred thousand in 2011. Furthermore, with support from the UNDP and European Union, the 2011 elections were carried out more fairly than the previous ones. In other words, there was less violence with no result petitioning. This chapter has also revealed that UNDP funding has been having a substantial impact on parliamentary reforms.

Through UNDP funding, the parliamentary committee system was improved by opening committee meetings to the public. In addition, 28 Constituency Offices were established together with a Parliament Radio covering the line of rail. These measures have helped in taking the parliament to the grassroots and also enabling the people to pass their views to government in so doing enhancing good governance in the country. The work of the Committees has improved and this is exemplified by the number of amendments made to the national budget, the number of amendments made to legislative bills before parliament and the number of committee reports adopted by the house in so

doing contributing to good governance in the country significantly. In addition, the study has revealed that both the UNDP and the World Bank's efforts had substantial impact on the decentralisation process.

In 2002 Zambia adopted the Decentralisation Policy with Funding from the UNDP and the World Bank. In addition, this funding facilitated for the establishment of the Decentralisation Secretariat in 2003. Further, funding from donors like the UNDP somewhat facilitated for the strengthening of decentralisation institutions such as democratically elected councils, the National Development Coordinating Committees (NDCC), Provincial Development Coordinating Committees (PDCC) and the District Development Coordinating Committees (DDCC). However despite all these developments, there seem to be no visible sign to indicate how effective these structures are. This is because in an environment of scarce resources, the maintenance of parallel operating structures (i.e. Councils on one hand and district administration on the other) has proved to be expensive on the part of the government. This has been exacerbated by the attitude of most donors such as the UNDP and the World Bank who concentrate on budgetary funding at the headquarters level of central government which in turn has been inhibiting effective and sustainable service delivery at district level. Further, the UNDP has also been involved in promoting human rights in Zambia.

Until 2004, the Human Rights Commission had only one office in Lusaka, but through financial support from the UNDP and its donor partners, the Commission is now decentralised and has more than five other offices in provincial capitals. This has made it easier for the Commission to undertake its activities across the country. In addition, the UNDP support has improved operations of the Human Rights Commission thereby contributing to good governance in the country. For instance in 2009 the institution investigated a total of 810 human rights cases. Over 90 percent of the complaints were successfully resolved through mediation and recommendations made by the Commission.

Having looked at political reforms and multilateral institutions in Zambia, the next chapter concludes the findings of this study.

## References

FODEP (2008). *Civil Society Election Monitoring Report*, FODEP: Lusaka, Zambia.

Government of Zambia (2000). *Parliamentary Reform Programme Brief*, Parliament: Lusaka, Zambia.

Human Rights Commission (2004). *Human Rights Annual Report*, Human Rights Commission: Lusaka, Zambia.

Human Rights Commission (2008). *Human Rights Annual Report*, Human Rights Commission: Lusaka, Zambia.

Human Rights Commission (2009). *Human Rights Annual Report*, Human Rights Commission: Lusaka, Zambia.

Parliament of Zambia (2011). *Parliamentary Reform Programme Phase Three Report*, Parliament: Lusaka, Zambia.

UNDP (2006). *Human Development Report*, UNDP: New York, USA.

UNDP (2009). *Human Development Report*, UNDP: New York, USA.

[www.undp.org.zm](http://www.undp.org.zm) Accessed on 20/08/2012

## **CHAPTER FIVE**

### **CONCLUSION**

This study has examined the extent to which multilateral institutions particularly the World Bank and the UNDP have promoted good governance in Zambia's third republic.

It has been established that these two organisations have supported good governance in the country in different ways. As discussed in chapters three and four, study concludes that the World Bank has concentrated much on public sector reforms while the UNDP has focused on political reforms. In chapter four, the study has revealed the extent to which the World Bank has promoted good governance in the country through public service reforms. As reviewed in chapter three, the World Bank promotion of good governance in Zambia initially started as conditionality for accessing aid. In this regard, Zambia was requested to meet the conditionalities expressed on page fifty three of chapter three of which one of them was to restructure the civil service to make it adequate enough in service delivery. This then set the pace for public service reforms in Zambia under the umbrella of PSRP. As a result of this, the Zambian government has implemented four major public service reforms as discussed in chapter three which are; the 1993 public service reforms the 1993 Public Sector Reforms, the 1994 Financial and Legal Management Upgrading Project (FILMUP), the 2000 Public Service Capacity Building Project (PSCAP) and the 2005 Public Sector Management Programme – Support Project (PSMP-SP). The study has established that these reforms have concentrated much on financial and retrenchment aspects of public service reforms. In so doing, it has been established that other aspects of public service reforms have been ignored such as creating a system that can track the unemployed in order to address issues of unemployment in the country.

The study established that the role of the World Bank in 1993 in the reforms was to set the reform process in motion through its conditionalities as discussed in chapter three. These reforms introduced professionalism and public service ethics among bureaucrats in the country in so doing contributing to good governance. As a result of these reforms, presidential appointments at the level of permanent secretary in some ministries, was made on specialised field of study which brought about improved performance of the bureaucracy. In addition, the 1993 reforms acted as a benchmark of

better ways of reforming the public sector and also acted as a learning process for many technocrats. However, the 1993 reforms negatively affected the Zambian work force through retrenchment which was the beginning of job losses in the public sector of the country. After the 1993 reforms, the World Bank funded FILMUP. It was the first World Bank funded reform project.

The study established that FILMUP contributed to the upgrading of the legal, financial and procurement aspects of the country thereby contributing to good governance in these areas as discussed in chapter three. Specifically, FILMUP significantly contributed to transparency in the legal system of the country by printing and disseminating the Revised Laws of Zambia (1995 edition). In addition, FILMUP, helped in the acquisition of computers and installation of public procurement software which has reduced processing time and tender costs. In the area of finance, FILMUP strengthened the accounting profession by helping ZICA introduce a locally administered accounting technician qualification which trained between 600 and 700 technicians country wide by the year 2000. Since then, dependency on foreign institutions for qualification at a technician level has been reducing. However, it should be noted that FILMUP was one of the many World Bank projects that contributed to debt accumulation in the country as it was funded on loan basis. After FILMUP was completed, the World Bank continued to fund more reforms in the country.

In addition the study established that in 2000, PSCAP followed which was the major World Bank funded reform programme aimed at improving accountability and transparency in financial management and in service delivery in the country as discussed in chapter 3. In the financial management, PSCAP improved transparency and accountability through the implementation of the Integrated Financial Management Information System (IFMIS) which is aimed at supporting timely and accurate recording of financial data by all spending agencies. In addition PSCAP contributed to improvement in service delivery in the public sector. A study conducted by the University of Zambia established that 41.5 percent of public service users indicated that there has been some improvement in service delivery after the reforms, against 40 percent who indicated that there has been no improvement. Furthermore, PSCAP reduced government burden of over spending on the civil service by reducing it to a suitable

number of bureaucrats that can receive reasonable remunerations within the limited resources that the government has. However, it should be noted that the exercise of rightsizing was not adequately carried out because it excluded some ministries like health and education which account for about 60 percent of government employees. In addition, more money was being paid to ghost workers. After completing PSCAP, the World Bank further funded PSMP which was aimed at improving components of PSCAP.

According to the findings of chapter three, the study furthermore established that the major impact of PSMP on the civil service was the implementation of the computerised pay roll system which has reduced delays in salaries of civil servants. This computerised pay roll system has also helped in removing redundant or ghost workers from the pay roll system in so doing contributing to good governance in the area of public service remunerations. However, PSMP contributed to job losses that were started by earlier reforms. As of 2005 the numbers of jobless civil servants rose to about 114, 000 due to continued retirement programme under the PSMP. This was exacerbated by freeze on employment accompanied by wage freeze. Also there was conditionality from the World Bank and other donors to restrict salary increments in the civil service as one of the ways to archive debt cancellation. The restriction of salary increments affected the morale of civil servants. There was late reporting and less time committed to work among the bureaucrats which even affected service delivery in many government ministries in so doing undermining good governance.

In Chapter four, the study has examined the extent to which multilateral institutions have promoted governance in the country through political reforms. The chapter has mainly established how the UNDP has done the reforms but also considering the position of the World Bank in the process. The chapter has highlighted that the major political reforms in the country have been through electoral reforms, parliamentary reforms decentralisation and through human rights. The chapter further highlights that although these multilateral institutions have significantly reformed Zambia politically, they have faced some problems in the process.

The study established that through UNDP and other donor funding, significant improvements have been realised in the electoral process as discussed in chapter four. From 2006 to 2011 elections, there has been a gradual increase in the voter turnout of

course with an exception of the untimely elections of 2008. One of contributing factors to the increase in voter turnout is consistent voter education supported by the UNDP and other donors. Coming to the year 2011, elections were well organised and well-funded by the UNDP and the European Union in collaboration with other donors. FODEP and SACCORD conducted Voter Education in 8 districts each with the rest of the districts catered for by other NGOs. This contributed to increase in voter turnout and change in the voting behaviour of the electorates which eventually saw the removal of the MMD government from power. Additionally, the performance of the Electoral Commission has also been improving in terms of elections preparations due to consistence in donor funding. For instance, in 2006, there was no continuous voter registration but prior to the 2011 elections, continuous voter registration was introduced which increased the number of registered voters from about 4 million and 9 hundred thousand in 2008 to about 5 million and 2 hundred thousand in 2011. Furthermore, with support from the UNDP and European Union, the 2011 elections were carried out more fairly than the previous ones. In other words, there was less violence with no result petitioning. Chapter 4 has also established that UNDP has also been involved in funding parliamentary reforms in Zambia.

The study established that through UNDP funding, the parliamentary committee system was improved by opening committee meetings to the public as discussed in chapter four. In addition, 28 Constituency Offices were established together with a Parliament Radio covering the line of rail. These measures have helped in taking the parliament to the grassroots and also enabling the people to pass their views to government in so doing enhancing good governance in the country. The work of the Committees has improved and this is exemplified by the number of amendments made to the national budget, the number of amendments made to legislative bills before parliament and the number of committee reports adopted by the house in so doing contributing to good governance in the country significantly. Further, chapter 4 has established that the UNDP and the World Bank's efforts had substantial impact on the decentralisation process.

The study established that in 2002 Zambia adopted the Decentralisation Policy with Funding from the UNDP and the World Bank as discussed in chapter four. In

addition, this funding facilitated for the establishment of the Decentralisation Secretariat in 2003. In addition, funding from donors like the UNDP somewhat facilitated for the strengthening of decentralisation institutions such as democratically elected councils, the National Development Coordinating Committees (NDCC), Provincial Development Coordinating Committees (PDCC) and the District Development Coordinating Committees (DDCC). However despite all these developments, there seem to be no visible sign to indicate how effective these structures are. This is because in an environment of scarce resources, the maintenance of parallel operating structures (i.e. Councils on one hand and district administration on the other) has proved to be expensive on the part of the government. This has been exacerbated by the attitude of most donors such as the UNDP and the World Bank who concentrate on budgetary funding at the headquarters level of central government which in turn has been inhibiting effective and sustainable service delivery at district level. Furthermore, the study has established that the UNDP has also been involved in promoting human rights in the country.

The study established that until 2004, the Human Rights Commission had only one office in Lusaka, but through financial support from the UNDP and its donor partners, the Commission is now decentralised and has more than five other offices in provincial capitals as discussed in chapter four. This has made it easier for the Commission to undertake its activities across the country. In addition the UNDP support has improved operations of the Human Rights Commission thereby contributing to good governance in the country. For instance in 2009 the institution investigated a total of 810 human rights cases. Over 90 percent of the complaints were successfully resolved through mediation and recommendations made by the Commission. Having concluded the findings of this study, the study then recommends that:

- First, in the promotion of good governance in the country, the World Bank and the UNDP should be more consultative involving such institutions like parliament and the civil society in so doing allowing a wider range of views in governance reforms;
- Second, the promotion of good governance by these multilateral institutions should be tailored to the real needs of the people such as reforming the civil service in an effective way that at the same time

creates room for employment as opposed to creating unemployment as in the case of the World Bank public service reforms and;

- Third, the promotion of good governance in Zambia should not be driven by funding from donors such as multilateral institutions like the World Bank and the UNDP. Instead, the Zambian government should devise mechanism that will drive good governance in the country without much influence from donors. Most of the governance programmes as discovered in this study are mostly donor funded which means that without donor intervention good governance in Zambian can never be fully realised. The problem with donor driven governance is that it prioritises foreign values to local values. In this regard, donor support should be minimised at all cost in order to implement governance programmes that really reflect the values of the Zambian people.

## **Bibliography**

Al-Jurf, S. (1999). "Good Governance & Transparency: Their Impact on Development," Source: [http://blogs.law.uiowa.edu/ebook/sites/default/files/Part\\_2\\_5.pdf](http://blogs.law.uiowa.edu/ebook/sites/default/files/Part_2_5.pdf) . Accessed on 07/06/2011

Brown, S. (2005). "Foreign Aid and Democracy Promotion: Lessons from Africa," *The European Journal of Development Research*," Vol.17, No.2

Bwalya, M.C. (2006). "Public Service Reforms: The Zambian Experience," in Kiragu, K. (editor), *Public Service Reforms in Eastern and Southern Africa: Issues and Challenges*; Mkukina Nyota Publishers, Dar es Salama, Tanzania.

Carothers, T. (2006). *Confronting the Weakest Link: Aiding Political Parties in New Democracies*, Washington D.C: Carnegie Endowment for International Peace.

Carothers, T. (2010). "The Elusive Synthesis", *Journal of Democracy*, Vol. 21, No. 4

Colgan, L. (2002), "Hazardous to Health: The World Bank and IMF in Africa," Africa Action. Source: [www.africa.upenn.edu/Urgent\\_Action/apic041802.html](http://www.africa.upenn.edu/Urgent_Action/apic041802.html). Accessed on 20/07/2012

Eurodad (2006). "World Bank and IMF conditionality: A Development Injustice Report," Source: [www.eurodad.org/uploadedfiles/whats\\_new/reports/eurodad\\_world](http://www.eurodad.org/uploadedfiles/whats_new/reports/eurodad_world) Accessed on 20/08/2012

FODEP (2008). *Civil Society Election Monitoring Report*, FODEP: Lusaka, Zambia.

Gewald, J.B. (2008). *One Zambia, Many Histories*, Brill: Holland.

Goldstein, J.S. and Pevehouse, J.C. (2006). *International Relations*, Prescilla McGeehan: Elm Street Publishing Services Inc.

Gordon, C. (2010). "How Does the World Bank Work," Source: [http://www.ehow.com/how-does\\_4567418\\_world-bank-work.htm](http://www.ehow.com/how-does_4567418_world-bank-work.htm). Accessed on 20/07/2012

Government of Zambia (1993). *Public Service Reform Programme*, Cabinet Office, Lusaka.

Government of Zambia (2000). *Parliamentary Reform Programme Brief*, Parliament Lusaka, Zambia.

Government of Zambia (2002). *Poverty Reduction Strategic Paper*, Lusaka, Zambia.

Government of Zambia (2002). *National Decentralisation Policy*, Ministry of Local Government and Housing: Lusaka.

Government of Zambia (2009). *Zambia State of Governance Report*, Ministry of Justice: Lusaka.

Human Rights Commission (2004). *Human Rights Annual Report*, Human Rights Commission: Lusaka, Zambia.

Human Rights Commission (2008). *Human Rights Annual Report*, Human Rights Commission: Lusaka, Zambia.

Human Rights Commission (2008). *State of Human Rights Report*, Human Rights Commission: Lusaka.

Human Rights Commission (2009). *Human Rights Annual Report*, Human Rights Commission: Lusaka, Zambia.

Huntington, Samuel. P. (1991). "Political Development as Democratization," in Danziger James N. (editor), *Understanding the Political World. Comparative Introduction to Political Science*. Pearson education, Inc.

Ihonvber, J.O. (1991-1996). "The crisis of democratic consolidation in Zambia" source: <http://civilisations.revues.org/index1570.html>. Accessed on 10/03/2011

IMF Zambia (2005). *Enhanced Initiative for Highly Indebted Poor Countries – Completion Point Document, Country Report No. 05/137*, Washington: International Monetary Fund.

IMF; IDA. Zambia (2000). *Preliminary Document on the Enhanced Initiative for Highly Indebted Poor Countries Report*, Washington: International Monetary Fund and the International Development Association.

Ismi, A. (2004). "Impoverishing a Continent: The World Bank and the IMF in Africa." Source: [www.halifaxinitiative.org/updir/ImpoverishingAContinent.pdf](http://www.halifaxinitiative.org/updir/ImpoverishingAContinent.pdf). Accessed on 12/03/2011

Jones, T. and Hardstaff, P. (2005). "Denying democracy: How the IMF and World Bank take power from people." Source: Jones and hardstaff [siteresources.worldbank.org](http://siteresources.worldbank.org). Accessed on 14/04/2011

Kaela Laurent, C. W. et al (2004). *Zambia National Governance Baseline Survey Report*, Department of Political and Administrative Studies: University of Zambia.

Kiragu, K. and Mutahaba, G.R. (2005). *Public Service Reforms in Eastern and Southern; Issues and Challenge*. Mkuki na Nyota publishers:Tanzania.

Lynas, M. (1999). "Structural Adjustment – Effects in Zambia: Africa's Hidden Killers." <http://www.converge.org.nz/pma/apzamb.htm>. Accessed on 11/04/2011

Mafuleka Wetson (1996). *Public Policy Making, Implementation and Development in Zambia*, PhD Thesis, University of Zambia: Lusaka

Makinda, S. (2003). "Reclaiming Democracy for Africa: Alarming Signs of Post-Democracy." Source:[www.uneca.org/.../Reclaiming%20democracy%20for%20Africa](http://www.uneca.org/.../Reclaiming%20democracy%20for%20Africa). Accessed on 10/03/2011

Maldonado, N. (2001). *The World Bank's Evolving Concept of Good Governance and its Impact on Human Rights*, Stockholm: Sweden.

Mansbach, R.W. (1994). *The Global Puzzle: Issues and Actors in World Politics*. Houghton Mifflin Company: Boston.

Meier, J and Gerald, M. (1995). *Leading Issues in Economic Development*, New York: Oxford University, Press.

Momba, J.C. (1998/99). "Economic Reforms and the Crisis of Governance in Zambia: The Dilemma for the Donor Community," in *ZANGO*, Vol. 21. No. 12

Oxford Policy Management (2008). *Evaluation of Norwegian Development Support to Zambia (1991-2005) Evaluation Report*. Source: <http://www.norad.no/en/Tools+and+publications/Publications/Publication+Page?key=109733>. Accessed on 08/08/2012

Parliament of Zambia (2011). *Parliamentary Reform Programme Phase Three Report*, Parliament: Lusaka, Zambia.

Petifor, A. (2002). "Debt is still the linchpin: the case of Malawi", Jubilee Research. Source: [www.virtual.unal.edu.co/cursos/economicas/.../helsinkp.DOC](http://www.virtual.unal.edu.co/cursos/economicas/.../helsinkp.DOC). Accessed on 12/08/2011

Rakner, L. (2012). "Foreign Aid and Democratic Consolidation in Zambia," *Working Paper No. 2012/16*.

Saasa, O. (2005). *Zambia Aid Policy and Strategy*, MoFNP, Lusaka: Zambia.

Santiso, C. (2001). "Good Governance and Aid Effectiveness: The World Bank and Conditionality," in *Georgetown Public Policy Review*, Volume 7 No. 1

Shivji I. (2003). "The Struggle for Democracy," Source: <http://www.marxists.org/subject/africa/shivji/struggle-democracy.htm>. Accessed on 20/04/2011

Simutanyi, N. (1996). "The Politics of Structural Adjustment in Zambia," *third world quarterly*, Vol. 17, No. 4 Sources: [www.nodo50.org/cubasigloXXI/congreso06/conf3\\_simutanyi.pdf](http://www.nodo50.org/cubasigloXXI/congreso06/conf3_simutanyi.pdf). Accessed on 28/10/2012

Stumbeko, L.C. and Zulu, J.J. (2004). *Zambia Condemned to Debt: How the IMF and the World Bank have Undermined Development*, World Development Movement: London.

Thirwall, A.P. (2006). *Growth and Development with Special Reference to Developing Economies*. New York: Palgrave Macmillan.

Transparency International (2003). *Global Corruption Report*, Berlin: German.

UNDP (1996). *The African Governance Forum: Conceptual Frame Work*, New York: USA.

UNDP (1997). *Governance for Sustainable Development Report of International Conference United Nations*, New York: USA.

UNDP (1997). *Governance Policy: Governance for Sustainable Human Development*, UNDP: New York, USA.

UNDP (2002). *Human Development Report*, UNDP: New York, USA.

UNDP (2006). *Human Development Report*, UNDP: New York, USA.

UNDP (2006). *Assessment of Development Result in Zambia Report*, Lusaka: Zambia.

UNDP (2009). *Human Development Report*, UNDP: New York, USA.

Woodroffe, J. and Ellis-Jones, M. (2000). "States of Unrest: Resistance to IMF Policies in Poor Countries" source: [www.hartford-hwp.com/archives/25/089.htm](http://www.hartford-hwp.com/archives/25/089.htm). Accessed on 29/10/2011

World Bank (1993). *Financial and Legal Management Upgrading Project Report No. 11817- ZA*, World Bank: Lusaka, Zambia.

World Bank (2001). "Promoting Good Governance with Social Funds and Decentralization", number 5. Source: [openknowledge.worldbank.org](http://openknowledge.worldbank.org) Accessed on 21/06/2011

World Bank (2005). *Public Service Capacity Building Programme Report No. 34450*, World Bank, Lusaka: Zambia

World Bank (2005). *Public Service Management Programme Report No. 32502*, World Bank: Lusaka, Zambia.

World Bank (2006). “Demanding Good Governance in Anglophone Africa Report”  
Source: [www.worldbank.org/.../FINAL%20SAcSynthesisPaper5-19-06,clean.doc](http://www.worldbank.org/.../FINAL%20SAcSynthesisPaper5-19-06,clean.doc)  
*Assessed on 21/06/2011*

World Commission on Environment and Development (1987). *Our Common Future*.  
Source: [www.un-documents.net/our-common-future.pdf](http://www.un-documents.net/our-common-future.pdf) *Accessed on 29/10/2011*

<file:///C:/Documents%20and%20Settings/PAS/My%20Documents/IMF%20and%20World%20Bank%20MA%20data/struggle-democracy.htm>. *Accessed on 13/05/2011*

<http://civilisations.revues.org/index1570.html>. *Accessed on 13/05/2011*

[http://eeas.europa.eu/delegations/zambia/projects/list\\_of\\_projects/20975\\_en.htm](http://eeas.europa.eu/delegations/zambia/projects/list_of_projects/20975_en.htm).  
*Accessed on 13/05/2011*

<http://www.adb.org/poverty/mdgs.asp>. *Accessed on 11/03/2011*

<http://www.worldbank.org/en/country/zambia/overview> *Accessed on 11/03/2011*

[www.undp.org.zm](http://www.undp.org.zm) *Accessed on 20/08/2012*

[www.worldbank.org/wbi/governance](http://www.worldbank.org/wbi/governance): *Accessed on 20/06/2012*

## APPENDICES

## APPENDIX A

### INTERVIEW GUIDE FOR THE WORLD BANK

#### **Section A: Personal information**

- (i) Position of the official
- (ii) Level of education attained

#### **Section B: Good Governance and Public Service Reforms**

1. What form of agreement was made between the World Bank and government for support to start?
2. Has the World Bank given any support to the Cabinet Office or any government institution to carry out reforms to promote transparency and accountability in the public sector?
3. If yes, what form of support has the World Bank given to government to enhance accountability and transparency in the public sector?
4. To what extent has this support promoted public sector management in the country?
5. Has the Bank given any aid to Transparency International Zambia to enhance Justice, transparency and free flow of information in Zambia?
6. If yes, to what extent has justice, transparency and free flow of information been enhanced by this support?
7. What is the interest of the Bank in the promotion of the elements of good governance which are accountability, transparency and free flow of information, guaranteed justice for all, and public sector management?
8. What are the limitations that the Bank faces in its efforts to promote the above elements of good governance?

#### **Section C: Good Governance and Decentralisation**

15. What for agreement was made between the bank and the government for support to initialize?
16. What form of support has the Bank given to the government to enhance decentralization in Zambia?
17. Has the bank given any support particularly to enhance democratically elected representatives at the local level as part of an effort to promote decentralization in Zambia?

18. What kind of support has the bank given to both local and international civil society organisations to enhance decentralization in Zambia?

19. To what extent has decentralization been enhanced through the support of the Bank?

20. What are the limitations that the Bank is facing in its efforts to promote decentralization in the country?

## APPENDIX B

### INTERVIEW GUIDE FOR THE UNITED NATIONS DEVELOPMENT PROGRAMME

#### Section A: Personal information

- (iii) Position of the official
- (iv) Level of education attained

#### Section B: Good Governance and the Electoral Process

1. What form of agreement was made between the UNDP and the government for support to materialize?
2. Was Chiluba and the MMD promised any aid by the UNDP upon liberalizing the economy and reintroducing multipartism in Zambia?
3. Has the UNDP given aid to any civil society organisations both local and international that are involved in the electoral process in Zambia?
4. If it has, what was the aid intended for precisely?
5. Has the UNDP given any form of aid to the Electoral Commission of Zambia (ECZ) to enhance participatory governance?
6. Does the UNDP have any interest in the promotion of liberalization and multipartism in Zambia?

#### Section C: Good Governance and Decentralization

7. What form of support has the UNDP given to the government to enhance decentralization in Zambia?
8. Has the UNDP given any support particularly to enhance democratically elected representatives at the local level as part of an effort to promote decentralization in Zambia?
9. What kind of support has the UNDP given to both local and international civil society organisations to enhance decentralization in Zambia?
10. To what extent has decentralization been enhanced through the support of the Bank?
11. What are the limitations that the UNDP is facing in its efforts to promote decentralization in the country?

#### **Section D: Good Governance and Human Rights**

12. What kind of support has the UNDP given to the Human Rights Commission to promote and protect human rights?
13. What kind of support has the UNDP given to both local and international civil society organizations to enhance human rights in Zambia?
14. How does human rights abuse affect governance in Zambia according to the UNDP?
15. How can human rights promote good governance in Zambia?
16. What are the limitations that the UNDP is facing in promoting human rights in Zambia?
17. What is the interest of the UNDP in its endeavor to promote human rights in Zambia in Zambia?

#### **Section E: Good Governance and Parliamentary Reforms**

18. What kind of support has the UNDP given to the National Assembly to promote parliamentary reforms in Zambia?
19. What kind of agreement was made between the UNDP and government for support to initialize?
20. What kind of support has the UNDP given to both local and international civil society organizations to enhance Parliamentary Reforms in Zambia?
21. What are the limitations that the UNDP is facing in promoting parliamentary reforms in Zambia?
22. What is the interest of the UNDP in its endeavor to promote parliamentary reforms in Zambia?

## APPENDIX C

### INTERVIEW GUIDE FOR CIVIL SOCIETY ORGANIZATIONS

#### Section A: Personal information

- (i) Name of the organization
- (ii) Position of the official
- (iii) Highest level of education attained

#### Section B: Good Governance and the Electoral Process

1. What sort of agreement was made for the UNDP/World Bank for support to start?
2. Has the Bank/UNDP given aid to any civil society organizations both local and international that are involved in the electoral process in Zambia?
3. If it has, what was the aid intended for precisely?
4. Has the Bank/UNDP given any form of aid to the Electoral Commission of Zambia (ECZ) to enhance participatory governance?
5. Why does the Bank/UNDP have interest in the promotion of electoral process in Zambia?

#### Section C: Good Governance and Public Service Reforms

6. What form of support has the Bank/UNDP given to civil society organizations to work with the government to promote public sector management, transparency and accountability in the country?
7. Through this support, what mechanisms have been put in place by the three institutions to enhance these elements of good governance?
8. To what extent have these mechanisms enhanced good governance in the country?
9. What are the limitations that the civil society organizations in their collaboration with the government face in promoting good governance supported by the World Bank/UNDP?
10. Has the Bank/UNDP given any aid to TIZ to enhance Justice, transparency and free flow of information in Zambia?
11. If yes, to what extent has justice, transparency and free flow of information been enhanced by this support?

12. What is the interest of the Bank/UNDP in the promotion of the elements of good governance which are accountability, transparency and free flow of information, guaranteed justice for all, and public sector management?
13. What are the limitations that the civil society organizations face in promoting the above elements of good governance as supported by the World Bank/UNDP?

#### **Section D: Good Governance and Human Rights**

14. What kind of support has the Bank given to the Human Rights Commission to promote and protect human rights?
15. What kind of agreement was made between the Bank and government for support to initialize?
16. What kind of support has the bank given to both local and international civil society organizations to enhance human rights in Zambia?
17. How does human rights abuse affect governance in Zambia according to the Bank?
18. How can human rights promote good governance in Zambia?
19. What are the limitations that the Bank/UNDP is facing in promoting human rights in Zambia?
20. What is the interest of the Bank in its endeavor to promote human rights in Zambia in Zambia?

#### **Section E: Good Governance and Decentralization**

21. What form of support has the Bank/UNDP given to the civil society organizations in collaboration with the government to enhance decentralization in Zambia?
22. Has the Bank/UNDP given any support particularly to enhance democratically elected representatives at the local level as part of an effort to promote decentralization in Zambia?
23. To what extent has decentralization been enhanced through the support of the Bank/UNDP?
24. What are the limitations that the civil society organizations face in promoting decentralization as supported by the World Bank/UNDP?

#### **Section F: Good Governance and Parliamentary Reforms**

25. What kind of support has the UNDP given to both local and international civil society organizations to enhance Parliamentary Reforms in Zambia?

26. What is the interest of the UNDP in its endeavor to promote parliamentary reforms in Zambia?

## APPENDIX D

### INTERVIEW GUIDE FOR CABINET OFFICE

#### Section A: Personal information

- (i) Position of the official
- (ii) Highest level of education attained

#### Section B: Good Governance and Public Sector Reforms

1. What form of agreement was made between the UNDP/WORLD BANK and the government to reform the civil service?
2. Are there any ways that good governance defined by the government has differed in the way it is understood by the World Bank and the UNDP?
3. What has the government done in an instance where it has conflicted with the Bank and the UNDP on the promotion of governance in the country?
4. What form of support has the Bank/UNDP given to Cabinet Office to promote public service reforms?
5. To what extent have these reforms helped to enhance good governance in the country?
6. What are the limitations that the government face in the promotion of good governance as supported by the World Bank/UNDP?
7. In what ways has government collaboration with the Bank undermined Zambia's governance?
8. What is the interest of these institutions in reforming the civil service in Zambia?

## **APPENDIX E**

### **INTERVIEW GUIDE FOR THE ELECTORAL COMMISSION**

#### **Section A: Profile**

- (i) Position of the official

#### **Section B: Good Governance and the Electoral Process**

1. What sort of agreement was made for the UNDP/World Bank for support to start?
2. Has the Bank/UNDP given aid to any civil society organizations both local and international that are involved in the electoral process in Zambia?
3. If it has, what was the aid intended for precisely?
4. Has the Bank/UNDP given any form of aid to the Electoral Commission of Zambia (ECZ) to enhance participatory governance?
5. Why does the Bank/UNDP have interest in the promotion of electoral process in Zambia?

## APPENDIX F

### INTERVIEW GUIDE FOR THE HUMAN RIGHTS COMMISSION

#### Section A: Profile

- (i) Position of the official

#### Section B: Good Governance and Human Rights

1. What kind of support has the Bank given to the Human Rights Commission to promote and protect human rights?
2. What kind of agreement was made between the Bank and government for support to initialize?
3. What kind of support has the bank given to both local and international civil society organizations to enhance human rights in Zambia?
4. How does human rights abuse affect governance in Zambia according to the Bank?
5. How can human rights promote good governance in Zambia?
6. What are the limitations that the Bank/UNDP is facing in promoting human rights in Zambia?
7. What is the interest of the Bank in its endeavor to promote human rights in Zambia in Zambia?

## APPENDIX G

### INTERVIEW GUIDE FOR THE NATIONAL ASSEMBLY

#### Section A: Profile

- (ii) Position of the official

#### Section B: Good Governance and Parliamentary Reforms

8. What kind of support has the UNDP given to the Parliament to promote reforms
9. What kind of agreement was made between the UNDP and government for support to initialise?
10. What kind of support has the UNDP given to both local and international civil society organizations to enhance parliamentary reforms in the country?
11. How have parliamentary reforms promoted good governance in Zambia?
12. What are the limitations that the UNDP has been facing in promoting parliamentary reforms in Zambia?
13. What is the interest of the UNDP in its endeavor to promote parliamentary reforms in Zambia?

## **APPENDIX H**

### **INTERVIEW GUIDE FOR THE DECENTRALISATION SECRETARIAT**

#### **Section A: Personal information**

- (i) Position of the official

#### **Section B: Good Governance and Decentralization**

1. What form of agreement was made between the UNDP/WORLD BANK and the government to promote decentralisation?
2. What form of support has the Bank/UNDP given to the government to enhance decentralisation in Zambia?
3. Has the Bank/UNDP given any support particularly to enhance democratically elected representatives at the local level as part of the effort to promote decentralisation in Zambia?
4. What kind of support has the Bank/UNDP given to both local and international civil society organizations that work with the government to enhance decentralisation in Zambia?
5. To what extent has this support enhanced decentralisation in the country?
6. What are the limitations faced by the secretariat in the implementation of decentralisation as supported by the World Bank/UNDP?