

# LOCAL GOVERNMENT IN BOTSWANA

A Paper Prepared for the Commonwealth Local Government Forum

by

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*University of Botswana*

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# FRAMEWORK OF CENTRAL-LOCAL GOVERNMENT RELATIONS IN BOTSWANA AND ENHANCING OF LOCAL GOVERNMENT CAPACITY

## ABSTRACT

After outlining briefly the nature and role of local government in Botswana, the paper points out the major characteristics of the framework of central-local government relations in this country and the factors limiting the local government capacities such as limited strength of financial resources of local authorities, nature of Local Government Service Management, nature of decentralized development planning, district level political leadership, grass-roots participation, standards of integrity and commitment of bureaucratic leadership. The paper then proceeds to the discussion of local government capacity enhancing efforts, particularly measures for strengthening their human and financial resources and the role of Botswana Association of Local Authorities. The paper ends with some reflections on measures which could be considered for strengthening central-local government relations in good governance.

1. **The Case for Decentralization in Good Governance:** During the past few years the wind of change for decentralization has been blowing in Africa. Demands for participation in government and fair share in development activities have increased. Efforts for strengthening of democracy in Africa have to be complemented by invigorating the institutions and process of decentralization. Local Government in Africa has a special role in this context. The significance of Local Government as an instrument of democratic decentralization, development and good governance is being realized increasingly. Throughout Africa moves are being made to give more power to the people at the grass-roots. Decentralization and Local Government need to be promoted due to political, economic, social, geographical and administrative advantages. (Sharma: 1993,1994) Local Government as an instrument of decentralization assumes additional significance as it facilitates involvement of people in the formulation and implementation of development plans and promotes self-help. Decentralized and participatory government can also be an important element in good governance.

2. **Nature and Role of Local Government in Botswana:** Although Local Government normally means elected statutory bodies of devolution like urban and rural councils, this term in Botswana is commonly used in the context of four major organizations of devolution as well as deconcentration: District and Urban Councils; LandBoards; Tribal Administration; and District Administration. District Administration (headed by District Commissioner) an instrument of deconcentration, exercises delegated authority from the central government and performs central

coordinating role in the decentralized district level planning and development administration. The District Commissioner chairs the District Development Committee which consists of the senior representatives of district level organizations involved in development activities. Landboards, new post-independence institutions (of elected and nominated members) hold the tribal land in trust and allocate it for agricultural, industrial, commercial, residential and general development purposes (these functions were formerly undertaken by traditional chiefs). Tribal Administration is headed by traditional Chiefs whose powers have been reduced but who continue to exercise considerable influence on tribesmen in the rural areas. The Chiefs provide leadership in maintaining customs and traditions, serve as spokesmen of their tribes on issues of customary nature, preside over customary courts (which handle over 80% criminal and civil cases in the country), and preside over KGOTLA (traditional meeting place) where community views are sought. One of the major components of local government in Botswana consists of District and Urban Councils. The discussion of central-local government relations in this paper is focussed on these statutory bodies. There are nine District Councils, four Town Councils, one City Council and one Township Authority in Botswana. Election for the councillors are held every five years. The Minister of Local Government, Lands and Housing also has the authority to nominate some members. The statutory responsibility of Councils include primary education, primary health care, ungazetted roads and rural village water supply. These responsibilities cover related items such as sanitation services, social and community development, administering Self-Help Housing Agencies, municipal abattoirs, markets, parks, cemeteries, etc. They are also responsible for labour intensive drought relief projects, trade licensing, matimela (stray cattle), remote area development, fire extinction and prevention, and physical planning. The Ministry of Local Government, Lands, and Housing (MLGLH) is the focal point in the central government for planning and coordinating of local authorities. This ministry coordinates national policies related to local government activities and liaises with other central government ministries. This ministry retains the final power of approval over most activities relating to local authorities.

Representative local government in Botswana, as we understand it today, comprising councillors elected on the principle of universal adult franchise, was introduced only after Independence. Local Government in Botswana has evolved out of tribal administration which performed limited

local government functions before independence. The system grew under tribal administration during the colonial period with the introduction in 1956 of Tribal Councils under the chairmanship of the chiefs of major tribes. These Tribal Councils included members nominated by the Chief, members elected at the Kgotla (Village Assembly) and chairman and other nominated members of the lower-level district councils within the tribal area. The District Councils within the tribal area constituted second and lower-tier of local government and were subordinate to the Tribal Councils. These district councils comprised subordinate tribal authorities as chairmen, some nominated members and some elected at the Kgotla. This pattern of local government continued up to the time of independence when the Government decided to introduce the present system of District and Town Councils controlled by the elected representatives of the people. Following the principles of universal adult franchise and organized within the framework of multi-party democracy, elections for the councils have been held at regular, 5-year intervals along with those Parliament. As a result of free elections, representatives of different political parties have won elections in different councils. In 1984, the Botswana National Front (opposition party in Parliament) won the majority of seats in the Gaborone City Council and has retained its majority in this Council since then. In 1994 General Elections the strength of opposition increased considerably in different councils and it formed the government in seven urban and district councils.

3. **The Framework of Central-Local Government Relations:** A system of democratic decentralization has to be so organized that the relations between the central and local government organizations are characterized by a balance between centralization and decentralization of authority and functions. While the central government has to delegate some of its authority, and encourage autonomy of local authorities, it has to continue to retain some responsibilities relating to control, direction, supervision and guidance particularly during the infant stage of development of local authorities. Central government has to retain the functions which the local government may not be able to undertake due to the magnitude of resources or expertise required. It may have to provide the local government with financial and manpower resources and technical assistance of different kinds without which these bodies may not be able to perform their functions. It may have to guide these bodies on the nationally defined priorities

for utilization of scarce resources. Some central controls may be needed for maintaining nationally accepted standards of performance and integrity and for sound management of finances. Over and above all, the Centre may have to play a role in developing the administrative capacities of local level institutions through various measures which could include training, manpower development and gradually increasing autonomy.

The relations between the central and local government in Botswana have grown within a framework of freedom and multi-party democracy. Although the local authorities have grown in Botswana considerably over a period of times since independence in terms of their manpower and functions and finance handled by them (they employ about 11,000 people and provide about 25% of total government employment), their overall capacities remain limited in providing services, planning and implementing development projects, and taking over additional responsibilities. The Central Government continues to play a dominant role in the growth and functioning of local government. The central-local government relations in Botswana need to be seen in the context of (a) strength of financial resources of local government; (b) availability of qualified staff and nature of the Local Government Service Management (LGSM); (c) mechanisms for decision-making related to decentralized district level development planning; (d) local level political leadership; (e) contribution of central government ministries to the functions of Local Authorities; (f) vertical and horizontal linkages; (g) grass-roots participation; and (i) standards of integrity and commitment of bureaucratic leadership at local level.

3.(a) **Strength of Financial Resources of Local Government**: The financial strength of local government in Botswana has been extremely limited. Although their recurrent expenditure has been growing steadily, their own independent sources of revenue have remained limited. The difference between their expenditure and revenue is financed by the Central Government, through increased contributions from the Central Government Budget (earlier known as deficit grants and now known as revenue-support grants) and for Urban Councils through loans from Central Government. In 1988/89 deficit grants amounted to nearly P80 million, or roughly 96 per cent of District Councils' total recurrent funding. This amount of deficit grants rose to P164 million in 1992/93. The yield from limited existing sources of revenue becomes small due to ineffective

administration as can be discerned from the high default rates and arrears in service levies and building materials loans on Self-Help-Housing Areas and on property rates in the Urban Councils. As one of the Audit Reports pointed out: "In 1989/90, rates income which was P11.87 million, represented 64% of all urban authorities income (excluding deficit grant). The rates arrears at 31st March 1990 were P4.5 million, which is 24% of all rate income due" (1992:12). The revenue base for the District Councils is much weaker than that of the Urban Authorities. It includes abattoir fees, beer levy, clinic fees, matimela (charge for keeping stray cattle until their owners collect them), rents, sale of consumables, trade licenses, and water and sanitation fees). In 1989/90, these amounted to just over 5% of the total expenditure budget for the District Councils (NDP:455). New, independent sources of revenue for the local authorities have not been identified. Abolition of Local Government Tax in 1988 reduced further the independent revenue base of these local authorities. With this kind of financial strength and dependence on the Central Government, the local authorities are limited in the range and magnitude of their activities and in exercising autonomy with regard to their own policies, plans and projects.

### 3.(b) Availability of Qualified Staff and Nature of Local Government Service Management

**(LGSM):** Scarcity of qualified staff has been a major constraint of local authorities. Due to this scarcity, local authorities have faced problems in planning and prioritising increased responsibilities. Particular bottlenecks have been caused by shortage of qualified professional and technical personnel such as engineers, architects, accountants. The Director of Local Government Audit in his report submitted in 1992 rightly made the following observation with regard to shortage of staff in local authorities: "I have observed while visiting Local Authorities around the country that generally the staffing position in these authorities is worsening from year to year instead of improving.....the problem embraces a number of departments but in particular the Treasury Department", (Audit Report 1992:27).

As the local authorities at the time of their creation did not have the capacity to attract, remunerate and train qualified staff independently, the Central Government decided to provide them with such staff through a separate service called Unified Local Government Service, now known as Local Government Service Management. All the permanent and contract staff in the

local authorities were provided to them through this central service. The Establishment Secretary based at the headquarters in the MLGLH was made responsible for recruitment, training, promotions, postings, transfers, discipline and conditions of service of all employees belonging to this service.

Through a unified service such as this one, the local authorities were able to get qualified staff at salaries which they could not pay independently. The staff belonging to the pool could have better training opportunities and promotion prospects and better conditions of service generally. The staff were also insulated from local politics. However, this arrangement strengthened the central control over the local authorities and limited their autonomy. The local authorities due to this arrangement have little control over their own staff who are accountable to and have their loyalty to the Establishment Secretary of Department of Local Government Service Management (DLGSM) instead of the collective body of councillors which represents the local population. The autonomy of the councils and their capacity to make their own policies or to take independent decisions is limited as they receive explicit or implicit approval, direction, control or guidance from above.

In spite of the ongoing efforts of the DLGSM, the training opportunities for the staff in local authorities remain limited. Although the conditions of service of LGSM staff have improved considerably over the last few years and salary scales are similar to those in the civil service, the morale of the staff in the councils is not high. This is mainly due to limited training opportunities, promotion prospects and continuing image of lower esteem compared to the civil service. Attracting and retaining competent staff continues to remain a difficult problem due to likely postings in rural or remote areas. Greater incentives are required to attract and retain the university graduates and brighter council secretaries who are able to rise above their present rank and salary within the council administration. Due to vacancies and limited competence of subordinates, staff in some supervisory positions are heavily worked and need concrete incentives for reward and appreciation.



For rationalizing the organizational structure to improve productivity, the O & M and related exercises need to be implemented expeditiously with the consent of the concerned parties. Manpower development and training plans need to be formulated with rational criteria at macro and micro levels for a longer term perspective to enhance the existing limited administrative capacities of the local authorities.

3.(c) **Mechanisms for Decision Making Related to District Level Development Planning:** The local government organizations are expected to make a significant input into the decentralized district level development planning through their own projects which have to be prioritized, elaborated, accepted and implemented through the various mechanisms involving horizontal and vertical linkages. Effectiveness of decentralization and capacities of local level organizations with regard to development planning are limited due to the problems related to formulation, implementation, monitoring, guidance and vertical-horizontal two-way communication. (Sharma, 1992)

The nature of development planning in Botswana, in spite of the declared intentions for 'bottom-up planning' continues to be what is generally known as 'top-down planning.' The policies are determined at the central government level and major decisions for resource allocation are also taken there. The contribution of district level organizations still remains limited although it has increased steadily during the last years. The district plans are co-ordinated under the umbrella of District Development Committee chaired by the District Commissioner, but their successful operation depends on effective coordination of activities of different district level organizations participating in the exercise. This coordination means harmonization of activities for the purposes of ensuring the optimum collective contribution to the achievement of a common end and required eradication of duplication, conflict, friction, overlapping and ambiguity as well as development of team spirit, complementarity and mutual support. The existing situation in the districts needs to be improved in these respects.

Consultation between the central government and the district level organizations generally takes the form of explanation of policies and elaboration of plans formulated at higher levels. The link

and communication between the Centre and the Districts is somewhat ineffective as the district level staff do not receive adequate, satisfactory, timely information required. Professional calibre and training of concerned staff need to be strengthened as well as their commitment. The central government needs to display greater sensitivity for the problems, needs and priorities of districts and give them guidance with positive interest.

3.(d) **Local Level Political Leadership:** The nature of political leadership in local government has a bearing on the capabilities of councils and their effectiveness. The calibre of elected politicians has often been a target of criticism. Although no generalizations could be made in this regard as there are able, as well as not able, political leaders who get elected or nominated, the position regarding the qualifications of many local level politicians is not encouraging. As local authorities in Botswana are in their infant stage, it may be unrealistic to expect high standards of qualifications found elsewhere in well established institutions in other countries, nevertheless the level of their qualifications has a bearing on the existing capacities of local government. One hopes that with passage of time, the calibre, experience and leadership roles of politicians in these organizations will improve.

The other significant aspect having a bearing on smooth functioning of councils and their effectiveness in a multi-party democracy such as Botswana is that of relations between councillors and staff in local government, which at present could be described as far from being ideal. Ideally, the councillors and staff are expected to operate as a team with proper appreciation of each other's role and responsibilities. Often conflicts or tensions arise due to lack of understanding of their own roles as well as of others. Councillors as politicians are essentially policy makers and the staff are concerned with implementation. The staff have to advise the Councillors and execute the decision taken by the Councillors jointly. The Councillors are expected to operate as representatives of the people and articulate their felt needs. They are also expected to exercise general supervision over the implementation of policies by the staff. The staff are expected to inform and advise the Councillors on procedures, regulations and implications of different policies or decisions. The staff are expected to be politically neutral and are expected to serve with loyalty any political party which wins the elections and controls the

majority of seats in the council. These roles and relationships have to be clearly understood and appreciated by both sides - the Councillors and staff. The staff sometimes have a tendency to look down upon Councillors as uninformed; similarly the Councillors sometimes become critical and impatient with staff who find it difficult to violate the established rules and procedures. Both parties therefore have to treat each other with understanding, respect and dignity with a view to increasing the effectiveness of their joint endeavors.

**3.(e) Contribution of Central Government Ministries to the Functions of Local Authorities:**

The limited capacity of District Councils is evidenced from their dependence on the central government ministries for the performance of their statutory responsibilities such as primary education, primary health care, construction and maintenance of rural roads, construction and maintenance of water supplies in rural areas. The District Councils are responsible for the administration of primary schools but the Ministry of Education provides the salaries to teachers administered under Unified Teaching Service (UTS) operating under the Director based in the Ministry of Education. The contribution of the Ministry of Health to the provision of health services by the councils is quite significant. The Ministry has provided the nurses and doctors to the councils and provided the drugs and equipment. Although all the nurses in the councils now belong to the establishment of Local Government Service Management (LGSM), their links with the Ministry of Health remain significant as that Ministry also makes contribution to maintenance of standards in the performance of services by the clinics and training of personnel for further development. The District Councils have limited capacities to discharge their responsibilities for construction and maintenance of rural roads or construction and maintenance of water supplies in rural areas on their own without the support of the Ministry of Works, Transport and Communications and the Department of Water Affairs. These central government ministries/departments provide the equipment, machinery and services of their staff to assist the District Councils.

**3.(f) Vertical and Horizontal Linkages:** The local authorities cannot operate in isolation of the various organs of government at the centre as well as in the districts. Vertical and horizontal linkages therefore assume significance. Effective two-way communication mechanisms are

required for building a healthy partnership between the centre and the districts. In order that the national development plans and rural development policies are in keeping with the felt needs, problems and priorities of the people, the centre has to establish mechanisms of communication with the masses and the organizations such as District Councils which are close to them. The organizations such as District Councils operating in rural areas have to remain informed about nationally determined strategy, resource position, national priorities and constraints so that they can organize their own efforts accordingly and make a worthwhile input into the formulation and implementation of rural development programmes. Although Botswana has developed mechanisms and procedures for promoting healthy relationship between the centre and the districts, there are many weaknesses which need to be remedied. (Sharma, 1992) The district level mechanisms require greater commitment and the central authorities need to take more positive interest and give guidance to the district level organizations.

3.(g) **Grass-roots Participation:** Popular participation in rural development and planning is important as it is a means of obtaining information about local conditions, needs and attitudes. People are more likely to be committed to a development project or programme if they are involved in its planning and preparation, because they could then identify with it and see it as their project. And it is also important for getting local assistance in the construction and maintenance of projects. Local contributions in cash or kind may be easier to get for 'self-help' projects if people see these as something they have helped to initiate. For increasing people's participation greater and more genuine decentralization is required from the centre to districts, but the process of decentralization will have to be taken down further below the district level to the sub-districts and the village. The districts have complained about the lack of adequate decentralization from the centre to the districts but the district level has done very little to promote further decentralization which could result in strengthening the lower level organizations like Village Development Committees or greater involvement of traditional institutions like **Kgotla** in the process of development administration. Decentralization is incomplete if it stops at the district level. Village level organizations like the Village Development Committees (VDCs) need greater attention from District Councils and increased participation in development activities. The VDCs whose effectiveness has varied in different villages need to be taken more seriously

by the government, the masses and the members themselves.

3.(h) **Standards of Integrity and Commitment of Bureaucratic Leadership**: The extent of decentralization of functions, authority and responsibility may have to be limited and the central government may have to exercise or even strengthen controls with a view to ensure that proper standards of integrity and performance are maintained by the local authorities. Excessive decentralization without adequate safeguards or preparedness of local authorities could result in corruption, mismanagement, inappropriate use or waste of financial resources. Audits of Local Authorities have revealed shortcomings including lack of expenditure control due to inadequate book-keeping, failure to account for losses and abuse of privileges. Problems of financial control have been worsened by staff shortages. Besides the observations of Annual Audit Reports, the cases of corruption and mismanagement revealed by the investigators (Narang Report in the Southern District Council, 1992) are indicators of the existing capacities of district councils and also indicate the need for caution in further decentralization.

Effectiveness of decentralization and growth in the capacities of district level institutions may depend significantly on the commitment of the top level bureaucracy in MLGLH and DLGSM charged with the promotion of local authorities. Unless they display a genuine interest in decentralization, progress in that direction is likely to be slow. The senior bureaucratic leadership needs also to ensure that the ministry entrusted with the task for decentralization through devolution, deconcentration and delegation sets good examples in its own internal management through delegation, consultation, participation and speed in decision making.

#### 4. **Local Government Capacity Enhancing Efforts**

4.(a) **Measures for Strengthening Human Resources**: Human resource is a scarce resource in Botswana. There is a widespread concern about continuing and growing shortages of technical personnel, and the quality of the training available to them. Government accepts that it has a primary responsibility for the general training of Botswana to meet the needs not only of Government, but for the economy as a whole. Various efforts have been made by the

Government to develop human resources by strengthening different educational programmes and training courses of different kinds. There has been a large expansion in education at primary, secondary and tertiary levels and pre-service and in-service training programmes of different kinds have been introduced or strengthened. The GOB has undertaken the National Manpower Development exercise to guide the education sector by estimating the broad manpower requirements for the economy as a whole.

The LGSM training efforts include institutional training, in-house training, mobile training and ad hoc workshops/seminars. Institutional training within the country is given at the University of Botswana, Institute of Development Management, Botswana Institute of Administration and Commerce, Polytechnic, National Health Institute, etc. Some staff members are also sent abroad for institutional training. Efforts have been made to develop capacities within the councils to organize in-house training. This is expected to be primarily undertaken by the Personnel and Training Officers in the councils. In actual operation, the in-house training activities in the councils at this time are limited. The primary form of training is institutional.

In spite of a keen interest in training, no comprehensive Training Needs Analysis has been undertaken either at macro level in the DLGSM or at micro level in the councils. Similarly, no manpower development plan for the DLGSM has been produced. The need for the exercises is being increasingly realized and it is expected that the training needs analysis will be undertaken starting from the council level. One hopes that this will help in organizing training on the basis of organizational needs and not on ad hoc or individual needs basis. The needs analysis is expected to be followed by the preparation of Training Plans for councils and consolidated Training Plans at the DLGSM covering various categories of LGSM staff. It is being realized that there is a need to give greater attention to the training of technical and professional staff in the councils. It is in these areas that shortages are being felt and need for better skills is being realized. As decentralized and in-house training within the councils is going to receive increased emphasis, the Personnel and Training Officers in the Councils are likely to be strengthened by further training through training of trainers programme and by supporting them with training materials (such as revised and updated training modules and manuals). Suggestions are also being

considered for separation of Personnel and Training responsibilities by creation of separate posts of Training Officers in the councils who could devote themselves exclusively to the training activities. The PTOs at present remain occupied with personnel administration responsibilities and are not able to devote adequate time to training.

While reviewing the organization of personnel management in local authorities as a part of Personnel Management Development Project, a team of SIPU consultants made a number of observations (1994) which included the following. Current manpower plans are carried out annually and are local authority specific. There is a need for broader planning, which will take into consideration the needs of all local authorities, over a larger term period. Employees are sometimes disgruntled at being transferred or having their request for transfers rejected, in this state their meaningful contribution to the service is doubtful. There is a need for more effective consultation between local authorities and DLGSM. Training is done in isolation of organizational manpower skills needs. Selection for training seems to be dominated by skills needs for the next job in a particular council and not for the longer term skills needs of the organization. It would be best if councils worked on long term training plans which would complement the long term manpower plan. Line managers are reluctant to enforce discipline. Indiscipline of staff is high, knowing that very little will be done. Line is reluctant to act, as they do not believe they have the professional backing of advisors on procedures, rules and regulations.

The SIPU consultants interviewed selected officials in urban and district councils and noted the general feeling of officials in the councils. The feeling in the councils, they were told, is that "there is lack of understanding of local authorities' problems among DLGSM officers. Few if any have had local authority exposure and therefore have no appreciation of local authority problems. There are no visits to Local Authorities from DLGSM to provide support and guidance on work relations." One problem identified by almost everyone of the respondents is the delays in decisions concerning personnel matters. Especially mentioned are areas such as recruitment, dismissal and disciplinary action. With regard to the relations between the DLGSM and the local authorities, the Chief Executives of Local Authorities interviewed went to the extent of saying that "even junior officers treat you as though you were a messenger to the department". The

feedback on matters referred for the attention of DLGSM is poor and sometimes they do not even respond to queries raised or even acknowledge having received the queries. Strengthening of personnel management in the councils and improving of the relations between the councils and the DLGSM will require remedies for these weaknesses.

The Department of Local Government Service Management (DLGSM) is headed by Establishment Secretary (ES) and has five major divisions: 1. The Manpower Planning and Utilization Division (mainly concerned with long term manpower budgets); 2. The Recruitment and Placement Division (for recruitment, promotions, transfers of qualified manpower for local authorities); 3. The Training and Development Division (to organize and coordinate training for local authority staff); 4. The Personnel Administration Division (to administer, interpret and implement policies and regulations); 5. The Industrial Class and Personnel Relations Division (for developing and implementing policies and regulations concerning the industrial class workers). The DLGSM, together with Chief Executives of local authorities, will continue to be responsible for policy making role in human resource management in local authorities. The Department, however, will have to continue to be concerned with consideration of measures which could increase decentralization to local authorities for personnel management. Some personnel functions like training needs assessment, preparation of training plan, and in-house training have been decentralized to local authorities. Some personnel functions like performance monitoring and appraisal, disciplinary matters, manpower budgeting, training and selection are at present shared between DLGSM and local authorities. Additional functions could be further decentralized gradually for instance those related to promotions, dismissals, increments and appraisal of staff up to a certain level in the hierarchy.

4.(b) **Measures for Strengthening the Financial Resources of Local Authorities** Effectiveness of decentralization and autonomy of local government will depend to a significant extent upon the financial strength of the local authorities. Unless these local authorities have their own-source revenues and reduce their exorbitantly high dependence upon the revenue-support grants given by the central government, decentralization will not be meaningful.



The Government of Botswana, following its commitment to promoting decentralization as expressed in the Seventh National Development Plan appointed a Task Force in 1992 consisting of representatives from Central and Local Government to recommend measures for promoting decentralization in financial administration. NDP7 recognized the need to raise substantially the basis of local government finance as the revenue support grants (Deficit Grants) were continuing to increase. The non-grant (i.e own-source) revenues of local authorities were only financing less than 10 per cent of the recurrent expenditures of rural councils and about 40 percent expenditure of urban councils. This situation was quite unsatisfactory. With a view to resolving this problem, the Government has agreed to establish "a revenue formula which automatically allocates to the Local Authorities a specified share of designated national revenues" that would put them on a "predictable revenue path". Second, certain own-source Income Targets (i.e own-source revenues) have been approved that, if achieved will reduce the growth of recurrent grants. To facilitate the achievement of these own-source revenue targets, Government has announced its intention to "expand the revenue base of Local Authorities.... so that each has control over a larger share of their total revenues" (Decentralization Policy Paper, 1993).

The Task Force on Local Authority Finance (1993) established formula determining revenue grants. The formula has two aspects: the first entails estimating Recurrent Grant entitlements, on a council by council basis, in the base period (the most recent year for which actual grant data were available) taking into account three types of councils and their relative population sizes; the second entails projecting these amounts over the planning period taking into account the forecast population growth rate for each council and a commitment to adjust the grants each year to take into account the national rate of inflation experienced in the previous year. (Decentralization Policy Paper, 1993).

Increased access to own-source revenue is the other side of the revenue equation. Government has acknowledged that, to achieve the Income Targets established for Local Authorities in NDP7, the revenue bases to which Local Authorities have access must be broadened. Further, as pointed out by D.G. Hartley, economic consultant to Government of Botswana, "with the adoption of a system of formula-determined recurrent grants for councils, it is important that councils be given

substantially greater autonomy in determining their revenues from other sources. Each council needs enhanced authority to raise revenue from its own source in order that the elected council member can be held accountable by their constituents for the provision, by the most cost effective means, of the kinds and qualities of services that the majority want. Councils must be obliged to balance the demands of their constituents for more and better local services and the reluctance of their constituents to cover the additional costs through higher user fees and higher taxes." In addition, "in order to undertake meaningful budget planning, councils must know well in advance not only the Recurrent Grants that they will receive in the budget planning period but also the fees, charges, rates and levies that they will be authorized to impose." (Hartley, 1993).

The Task Force on Local Government Finance (1993) has looked into the possibilities of reviving Local Government Tax and authorizing the councils for introducing a number of taxes. The taxes that have been actively considered include Petroleum Fuel Tax, Utilities Tax (on monthly water, power, telephone bills), Tax on Gross Sales Revenues of Commercially Licensed Businesses, Tax on Real Property Improvements, and Borehole Tax. These proposals are being discussed in different forums and if some consensus emerges, the local authorities might get some taxing powers. It may not be inappropriate to have adequate deliberation for introducing taxes at that level and for adoption of formula for revenue sharing between the central and local government. In the meantime, serious consideration needs to be given to allowing the local authorities to exercise some authority without prior approval by the Minister in cases where no national interest is likely to be threatened.

Levying of full cost recovery/economic charges for the services provided by the local authorities to the public could also assist in strengthening their resource base. The Government of Botswana in fact is favourably disposed to this principle and also adopted this as policy when in 1992, Permanent Secretary in the Ministry of Local Government, Lands and Housing in a savingram to Council Secretaries and City/Town Clerks sated: "In order to accomplish the National Development Plan VII objective of developing and strengthening the revenue base of the Local Authorities, it is necessary that you should, on a piece meal basis, levy economic/full cost recovery charges for the service that you provide to the general public." The councils did not

respond to this request, perhaps because the "economic/full cost recovery charges" were not defined. Apparently **there was no follow-up** of the matter (Hartley, 1993). Hartley has advocated this principle **and has also cited** the views of Richard Bird (National Tax Journal, June 1993) that **wherever possible charges** should be levied on the direct recipients of benefits, whether residents, **businesses, or 'things'** (real property). Hartley summarizes Bird's arguments:

"...attempts to meet the needs of the poor for minimal essential services by giving them away without charge is almost always a failure. That is to say, if the poor were given money to buy the essential good or services (e.g water) that was sold at a cost recovery price, they would be no worse off and greater 'economic efficiency' would be achieved. Economic efficiency relates to allocation of scarce resources (e.g water, skilled manpower, physical capital) to satisfy, as fully as possible, the wants of people for goods and services. For example, suppose the water is provided free of charge through connections. When the water is free there is no incentive to use it sparingly although it is scarce. That is to say, supplying 'free' water involves the heavy cost of building more dams to increase the available supply. **With free water the investment in dams is excessive and alternative investments, such as roads, may be inadequate.** That is to say, had the water been sold at cost less water would have been used, fewer dams would have been built, and the savings achieved with respect to water supply, when applied to more road improvements would be valued more highly by the citizens than the water foregone."

In Hartley's views, for looking after the poor residents, "it might be better to provide subsidized water connections to Self-Help Housing Agency houses and bill the users for their actual consumption than to seek to meet their needs for water through standpipes. Before adopting this alternative, however, it would be wise to metre the standpipes and at least determine the magnitude of the subsidy involved" (*ibid*).

These arguments could be justified on the ground of economic efficiency but whether or not these could be politically acceptable or feasible is another matter. It may therefore be advisable to introduce economic/full cost recovery charges on a selective and gradual basis after adequate consultation between the central and local government. Forums like the Botswana Association of Local Authorities could take up issues such as these for consideration of their economic as well as political feasibility.

4. (c) **The Role of Botswana Association of Local Authorities:** In the present state of development of local authorities, although the central government has to assist in building their administrative capacities, the local authorities also have to try to do whatever they can to strengthen themselves. It is in this context that an association like the Botswana Association of Local Authorities (BALA) assumes significance and could play a useful role. It could serve as a common platform for articulating the views and problems of local authorities and could be instrumental in strengthening the local government..

Although the local authorities were created as statutory bodies when the country got Independence in 1966, they did not have any association of this nature until BALA was formed in 1985. BALA was created with the objective of having an organization which could represent local government at national level as well as link these local governments together so that they may share information, knowledge and experience. According to its constitution, the objectives of this Association are to "protect and promote the interest of local authorities in Botswana and for that purpose to take such action and make such representations to the government of Botswana and to other such bodies as may be deemed expedient from time to time".

BALA's membership consists of all elected local councils. Each council as a member of the association sends the political head of the council and the chief executive to attend the meetings of the association. These include Chairman/Mayor, Council Secretary/Town Clerk/City Clerk. As BALA does not have its own independent secretariat, a convention has developed that the council that is elected as president serves as its secretariat. The chairman and secretary of the Central District Council have served as BALA chairman and secretary respectively up to now from the time this association came into being. The constitution of BALA envisages that its income will accrue from subscriptions, grants from government or other organizations and donations. The association in fact has depended primarily on grants given by the Central Government's Ministry of Local Government, Lands and Housing.

Although BALA cannot be considered to have become a strong and vibrant association of local authorities, it has got itself firmly established as an organization within a short period of last few

years. With its creation, a working structure has been put in place to serve its members. The local authorities as well as the central government have become aware that they now have a forum for articulating collectively their views and experiences related to the role of local government and central-local government relations. Interestingly, this organization has been instrumental in bringing together the local level politicians of different political parties on a common platform to put up and articulate a common view from the perspective of local government.

One of the significant accomplishments of BALA has been to develop a project memorandum of understanding with the association of District Councils (ADC) which represents district councils in the U.K. This project memorandum (seen through the courtesy of Commonwealth Local Government Forum) entails drawing up and implementation of a business plan for the establishment of a permanent secretariat, efforts for appropriate training programmes for councillors and council employees, providing of effective sustainable capacity in terms of finance and staff, and assessment of the services and business opportunities BALA may establish. The project proposal envisages that the funding for the project will be sought from the donors (like the British Association of District Councils which have expressed interest in subsidizing this organization).

The measures to be undertaken to make BALA grow relate particularly to the need for its own secretariat, staff and finances. As BALA does not have its own office or independent staff and depends exclusively on the secretarial assistance provided by the council to which its elected president belongs, the need for a small but independent and full-time staff of its own is an urgent need. The Chief Executive Officers of local authorities are fully occupied with their normal responsibilities and can devote only limited time to BALA work. Moreover, as they belong to the centrally controlled Local Government Service Management cadre, their autonomy remains somewhat limited. The activities of an association of this nature require independence from the central government on the part of its staff. The association in due course needs to develop its own secretariat. Further, a 'BALA CENTRE' as is being conceived, could organize training programmes for local government staff and undertake consultancy work, among other activities instead of depending exclusively on the central government for such activities.

As BALA has no funds of its own and depends exclusively for its activities on small grants from the central government, it needs to have some independent resource base and its own funds without which it may not be able to operate independently. Ideally, the councils should be able to locate or contribute funds to this association but they too do not have their own independent sources of revenue and depend heavily on central government assistance. In that situation, grants from the central government are the only feasible source of revenue until the association and the councils settle for other viable alternatives. Some donor agencies could make financial support available for organization of or participation in national or regional level training programmes and workshops for improving the administrative capacities of councillors and staff. Donor support will be needed particularly for capital expenditure on proposed projects like BALA centre or secretariat. The Central Government will have to continue to screen and channel donor assistance with a view to ensure that the project is viable, it can be sustained over a period of time, and the recurrent expenditure commitment on capital projects are duly taken care of.

The Central Government has to perform the role of a guide and adviser, and create conducive or enabling environment for the development of local authorities and their association. At this stage of their development, goodwill and support of central level political leaders and bureaucrats is of paramount importance. The centre could assist through gesture and goodwill even without incurring large scale expenditure. If the central government appreciates that the assistance to local government and to their association is for a good cause, its overall approach could be positive. By the same token, BALA could promote a cordial relationship with the centre by not adopting an aggressive posture or confrontational attitude. The centre should not think that strong BALA will make the councils stronger to the disadvantage of the centre. On the contrary, the central government could also use this forum to its own advantage for a dialogue and communication between the central and local government, needed in the process of development. Strong local government could also be in the interest of central government in so far as it will promote participatory democracy and good governance.

While BALA could derive satisfaction from what it has accomplished during the last few years, its orientation in the future will have to reflect a positive approach with regard to its role and

relationship with the central government. Its agenda of action should seek to promote understanding and partnership with the central government instead of hostility and confrontation. It should be primarily concerned with major policy issues instead of getting bogged down into the details of management of local authorities or actions of central government. Policy issues related to decentralization, personnel, finance, planning, effectiveness of service delivery, enhancing community participation, inter-organizational relations should be its main concern. With regard to financial administration of local authorities, it should concentrate more on the discussion and articulation of principles of independent sources of revenues for local government, instead of bargaining for higher amounts of grants from the central government. With regard to personnel matters, its major concern should be related to articulation of views on principles and policies governing the Local Government Service Management or matters like procedures for recruitment, promotions, postings, transfers of staff in local authorities instead of specific cases of trivial significance. With regard to planning, it should be concerned with issues related to the determining of priorities and allocation of resources for development within the jurisdiction of local authorities, and should concentrate its energies on suggesting the principles and policies which could guide the sharing of authority and responsibility between Central and Local Governments. With regard to inter-organizational horizontal linkages and relationships with District Administration, Tribal Administration and Land Boards, it should concentrate on discussion of policy issues related to matters like restructuring or relocation of authority and responsibility for rationalization and improved administration instead of getting occupied with status considerations. With regard to service delivery and community participation in the administration of local authorities, it should concentrate on deliberations of innovative mechanisms which could be considered and adopted for improved productivity, consumer satisfaction and public support.

**5. Conclusion: Future of Central-Local Government Relations and Enhancing of Local Government Capacity for Good Governance:** The discussion above reveals that although Botswana is formally committed to promotion of democratic decentralization, local government in the country remains underdeveloped. The central-local government are characterized by a strong and dominant Centre with limited autonomy of local government. The capacities of local

government remain limited due to their dependence on the central government for financial resources and manpower; nature of financial and personnel management; mechanisms of decision-making with regard to decentralized development planning; nature of local level political leadership; dependence of local government on the contribution of central government ministries for the performance of their essential functions; ineffective vertical and horizontal linkages; inadequate grass-roots participation; and inadequate commitment of bureaucratic leadership. Limited capacities of local government have also been a constraint to further strengthening of democratic decentralization. A close examination of local authorities in other African countries might reveal similarities with Botswana in this respect. Some lessons could be derived from the limited experience of Botswana. It could be noted that the nature and extent of decentralization of authority and functions should be commensurate with the capacities of local level institutions involved. The effort of the local government needs to be concentrated on capacity building of local authorities in the initial stages of their development.

Capacity building will imply that the local authorities strengthen their financial resource base by sharing revenue with the central (or provincial) government as constitutional or statutory right and do not continue to depend on central government's discretionary deficit grants. The autonomy of local government will continue to remain limited unless they strengthen their own sources of revenue. More important than increased revenue will be the increased capacity for sound financial management and adequate measures for control, accountability and transparency. Greater professional competence in their staff, effective control over recruitment, promotions and discipline, and vigorous training efforts for different kinds of bureaucrats as well as politicians will be needed for strengthening self-government at local level. Effective decentralized participatory development planning at local level will require sensitivity on the part of central government for the problems, needs, aspirations and priorities of the grass-roots, guidance with positive interest, meaningful consultation with people and effective coordination of different governmental and non-governmental organizations. Finally, high standards of integrity and commitment on the part of bureaucratic and political leadership at central as well as local levels will be crucial for developing sound central-local government relations for democratic decentralization and good governance.



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