

Report of the workshop on „Democratic Budget Policy“ held in Spier/South Africa from September 9th to 12th 2008

From September 9th to 12th 2008 representatives of civil society and churches, scientists and members of parliament followed an invitation of the Ecumenical Foundation of Southern Africa (Stellenbosch), the Catholic Parliamentary Liaison Office (Cape Town) and the Joint Conference Church and Development (Berlin/Bonn) to reflect on the issue of democratic budget policy. Participants came from Ghana, Mozambique, Zimbabwe, South Africa and Germany; based on their various backgrounds they discussed recent developments and specific problems of participatory budgeting in African countries. The following statement summarizes the discussions of the workshop.

1. Participatory budgeting has gained ground in African countries over the last years. Many non-governmental organisations and church related NGOs have embarked to influence national budgeting processes and to monitor public spending. In many countries it was the HIPC-process with its instrument of poverty reduction strategies (PRSPs) that has opened new opportunities for civil society organisations to intervene in decision making processes. At present, donors' tendencies of budget funding in the context of the Paris agenda have led to an increasing interest in budget policies and good governance.
2. All in all, participatory budgeting can yield multiple benefits to government and civil society alike. It can improve transparency in public expenditures and stimulate citizen's involvement in decision making. It can be instrumental to get the priorities right, it can help monitoring where and how the money is being spent for. Transparency in the national budget is a key element of responsible government.
3. Interesting efforts have been made by civil society organisations in various countries to become a relevant actor in budgetary processes. Stating that poverty reduction has to be the central task of politics, civil society has developed a number of mechanisms to call for responsibility of governments. Public campaigns in Ghana and Zambia advocate for budgeting for human development and for promoting social budgetary policies, demanding basic income grants, effective health care etc. Strategies include monitoring and evaluation, advocacy and policy dialogue.
4. Besides attempts aiming at an impact on the national budgeting process, there are initiatives to implement mechanisms of participatory budgeting on local level. Experiences in some municipalities in Mozambique, which are in line with the Porto Alegre model, have an inbuilt potential to boost popular vibrancy in local governance; though it has to be admitted that the process has significant limitations with its concentration on local levels only.
5. Participatory budgeting will not work in isolation. It has to be embedded in a clear policy framework, it needs sustained commitments by governments, parliaments, civil society and the general public alike. Participatory budgeting needs long term perspectives, mid-term planning and short term interventions. To make this cycle work, NGOs might face the necessity to establish liaison offices. The Catholic church in South Africa has specialised on relations to parliament, thus being able to cover a broad range of issues in a political dialogue.

6. At present most interventions of civil society address government, whereas the potential of a deeper involvement of parliaments is widely ignored. But parliaments have a key role in budgetary processes: It is parliament that adopts the national budget. Nevertheless, far too often their willingness to underpin their formal mandate of adopting budgets with competence and commitment must be doubted. By various reasons they do not make proper use of their “power of the purse”. Patronage politics, mental traditions of an one-party-state and arrogance towards their constituencies occur as obstacles on the way to responsible government.
7. The strengthening of parliaments seems to be long overdue. Parliaments have to empower themselves to live up to the task of discussing priorities, of improving transparency and of controlling the executive. They should set up an effective internal system of committees that regulates their work. At the same time they should look for ways and means to interact as much as possible with the citizenry of their respective country. Parliamentary deliberations and debates should be open to the media and the interested public. Relevant stakeholders should be invited to present their views; they should be seen as part of a lively democratic culture instead of adversaries.
8. Within the budgeting processes, special attention was given to the item of military expenditure. The exact amount of military spending is subject to speculation; sources of information differ, national military budgeting is too often shrouded in secrecy. In particular, military budgets must encompass all financial operations and make sure that no off-budget spending will take place. Though the transparency of the budget – as far as South Africa and Zambia are concerned – has improved over the last years, there is still a lack of parliamentary accountability. Too often questions of members of parliament are considered as expression of hostility instead of being critical and legitimate. Though it is obvious that secrecy in some respects is unavoidable, balancing the level of secrecy and the need for accountability and control remains a challenge.
9. Given the perception and history of corruption in the armament business, vigilance and scrutiny are of utmost importance. The notorious South African arms deal, which includes the procurements of arms from Germany, is a recent example for the negative effects of lack of control and accountability – on the South African side but also on the side of the exporting countries. In its annual reports about the German exports of arms the Joint Conference Church and Development criticises the absence of an effective control of arms exports by the German Bundestag.
10. Any public discussion and debate in parliament about the annual military budget should evaluate the figures against a framework of policy, programming and planning – a demand that also fits for other political areas and budgetary items. A clear database and a comprehensive policy framework are essential requirements for a control that aims at the setting of priorities and takes into account the allocation of all financial resources of government.
11. Advocating for the poor, lobbying for politics that reduce poverty are the guiding principles for interventions of civil society. This is true in particular for the churches and church related development organisations. The churches with their long standing tradition of providing social services and promoting social development have special opportunities and obligations from this background. Being close to the poor, they have accepted their

duty to speak up for them. The form of involvement varies according to situations in respective countries: it can mean prophetic statements, dialogue with political decision makers, lobbying for specific politics or co-operation with governments in improving social services.

12. Churches in Africa are widely respected as moral and ethical institutions. Thus they are able to help to focus the public debate on social issues. When it comes down to political lobbying, churches and church related organisations often work in coalitions and networks to build a bigger voice. Church based NGOs often take over the lead in networks because they can rely on ongoing support from churches and church based development organisations in northern countries.
13. This support is more than necessary, because the work of civil society organisations is often endangered. It is the unwillingness of bureaucrats to provide data, the reluctance of politicians to give feedback to interventions that limits the work of civil society. Moreover, a poor democratic culture and weak media are limiting factors. But civil society itself, more often than not, is weak and fragmented. They lack long term funding to gain the necessary expertise to interact with government on the one hand and to inform and educate the public on the other hand.
14. Up to now, civil society lays more emphasis on campaigning and educating the public. Their contribution in this regard cannot be overestimated. They have increased transparency at local, regional and national level, they have exposed corruption in certain cases, they have in some instances forced governments to put the money where their mouth is and they have informed members of the public about their rights and have supported them to present legitimate demands. Many of these initiatives, which were presented at the workshop, have succeeded under difficult circumstances.
15. The initiatives of civil society to mobilise people and to hold governments accountable foster democratic culture and thus contribute to good governance in a broader sense. The question remains open, whether a closer interaction, a structured permanent dialogue between civil society and parliament can also contribute to a stronger role of parliaments in the political system. Strengthening of parliaments would mean a quantum leap in the promotion of good governance. Further discussion is necessary, in particular with representatives of NGOs and members of parliament in African countries. The debate has in particular to clarify the specific areas of action of both, government and civil society. It is the political system that has to decide and take over responsibility whereas the civil society makes use of what can be called “communicative power”.
16. Any future strengthening and capacity building of parliaments within their respective political systems is also of interest in the context of the Paris- and Accra-Agenda. Referring to the principle of ownership, there is a clear commitment in the Paris-Agenda for new aid mechanisms, in particular for budget funding. Some donors in OECD countries, in particular Germany, are reluctant to introduce this instrument as long as there is no guarantee for a proper use and an effective control of funds. A powerful parliament, strengthened by close interaction with civil society, could be a reliable actor in this context. The Joint Conference Church and Development and their partners will have to follow this issue and to discuss it in more detail.