GPAS Brown Bag Lunch Series

Saving Big: When the State Engages Citizens in Public Oversight

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Presenters: Sowmya Kidambi, Director, Society for Social Audit, Accountability and Transparency (SSAAT) & Edgardo Mosqueira, Lead Public Sector Specialist, Governance Global Practice, World Bank

Discussant: Juan Pablo Guerrero, Network Director of the Global Initiative on Fiscal Transparency (GIFT)

Chair: Roby Senderowitz, Manager Global Partnership for Social Accountability (GPSA)

TAKE-AWAY MESSAGES

- Citizens can be valuable partner of governments in monitoring flow of funds and curbing corruption. It is through constructive engagement among pro-accountability actors from the state and the society that leads to better accountability.

- In addition, citizen participation in governance processes and constructive engagement amongst state and society actors also leads to increased citizens’ trust that can further lead to better accountability.

This BBL featured two presentations. Sowmya Kidambi presented her state's experience in implementing social audits. Edgardo Mosqueira discussed experience of implementing social audit – what they call Citizen Visible Audit – from Columbia.

I. SSAAT: RATIONALE, HISTORY AND RESULTS

Kidambi stated that the slogan “our money, our accounts” forms the basis of establishment of SSAAT in Andhra Pradesh; the practice of social audit was institutionalized so that citizens had complete knowledge of where their tax money is going, where it is spent and what difference it is making. Another rationale for setting up SSAAT was to create a forum for dialogue between citizens and government officials. She suggested that social audit is an institutionalized platform for participatory democracy.

The GPSA Brown Bag Lunch (BBL) series is a program of lunch-time events aimed at sharing the experiences, knowledge and learning of GPSA Grantees, Partners and World Bank Initiatives. All BBLs are held at World Bank offices, live streamed and documented.
She emphasized that the willingness of the government to set up such an institution came from the realization that citizens are government partners and can help the government in monitoring service delivery. She explained the process of how the SSAAT came into being. The process started when Mahatma Gandhi National Rural Employment Guarantee Act that mandated social audits was passed in 2005. The process of implementing social audit was subsequently piloted in AP and comprehensive guidelines of how to conduct Social Audits were issued. In 2009 SSAAT was established by Department of Rural Development as an independent society to function independent of the implementing agency with its own dedicated budget. Since then more than 200,000 Village Social Audit (VSA) facilitators have been trained and thousands of audits have taken place.

Kidambi also shared some concrete numbers to describe the results of audits in terms of how much money has been saved. She also emphasized the importance of SSAAT as a deterrent that has reduced corruption significantly in the state, especially since SSAAT has followed up its findings with punitive actions. In terms of systematic changes inspired by the information collected as part of social audits, Kidambi shared that SSAAT has regular meetings with the department where SSAAT shares trends and provides suggestions for policy change on a broader level.

Moving forward, SSAAT is scaling up its operation and is currently conducting social audits for a number of other schemes and operations, for example Social Security pensions, Food Security, and Rural Housing among others.

II. CITIZEN VISIBLE AUDIT IN COLUMBIA: RATIONALE, HISTORY AND RESULTS

Following this presentation by Kidambi, Edgardo Mosqueira described his experience of Citizen Visible Audit (CVA) in Columbia. Mosqueira suggested that the motivation for audits in Columbia was the same as in AP, India i.e. involving citizens as partners to improve accountability systems. Specifically, it came as a response to corruption in the royalties system. Royalties are a share of taxes collected by the central government from extractive industries. These resources are mandated to be spent in social service sectors such as in health and education. Most of these funds are executed by the local government. However, contract irregularities at the local government level are fairly common. In order to solve this problem of corruption at the subnational level, government realized that local communities can help the government improve the social control of public investment, and thus Citizen Visible Audits were established.

In these audits, citizens participate in the supervision of resources managed by small local governments through public hearings at three stages of the project implementation – at the start of the project where local government authorities seek comments on the project, at mid-term where government officials provide feedback on previous commitments, and just before project conclusion where government officials present balance of project execution. Participants of these audits include...
beneficiaries’ committee that are organized by the central government at the start of the project, as well as investment experts, local government, contractors and other citizens. CVAs also use media such as radio and local newspapers to encourage citizen participation and to disseminate results from the public hearings.

These audits have not only improved project results but have also made the projects more relevant. More importantly, these audits have encouraged greater citizen engagement with local government officials that has long lasting impacts, as almost 30% of citizens engaged through audits continue to engage with local government officials after the CVA process has ended. Greater engagement of citizens with the local government has also led to increased citizen trust in local government, which supports the on-going peace process.

Moving forward, CVAs plan to broaden citizen participation. First, it also plans to develop an Open Data ICT platform to encourage citizen participation through mobile technology that will reduce the cost of participation for the citizens. Second, it plans to incorporate citizen participation at other stages of the public financial management process. Participants of the discussions that followed the presentations emphasized that latter is necessary to fulfill citizens’ right of participation in the governance processes.

III. CHALLENGES IN CITIZEN PARTICIPATION IN AUDIT PROCESSES

The discussion that followed these presentations also highlighted the importance of building citizen trust, and the role that initiatives like social audit in particular, and citizen participation in governance in general can play in reaching that goal. Therefore, the participants suggested that social audits and other participatory approaches should not only be identified as anti-corruption tools (although they have a major role to play in curbing corruption) but as a way for citizens to engage in the decisions that affect their lives.

First, there is a need to ensure that citizen participation in governance process in general and in PFM process as in social audit does not become a perfunctory requirement. Participants feared that as these processes become mandatory, officials tend to do just enough that is necessary to ‘tick the box’ to comply with the regulations instead of following the spirit of citizen participation. While it is necessary that legislation makes minimal levels of citizen participation mandatory, it is imperative for the civil society to keep pushing for more than what is required by the law.

Second, while sanction is an important part of the social audit process, implementation of sanctions sometimes depends on other branches of government. There was also a concern that these processes seldom result in sanctioning of powerful political actors who may be the largest sources of corruption, while on the other hand actors who do not have political clout get sanctioned. Related to this is the threat of retaliation against citizens who may highlight the instances of corruption, especially when it is against a politically powerful entity. The presenters suggested that while it is a reality, commitment
of support from the government to the citizens and promises of impunity for the offender can be a powerful deterrent. Kidambi, for example, recounted experience from AP state of India where any instance of retaliation is dealt strictly by the state.

Other challenges were also highlighted that included requirement of significant resources to train citizens to take up the role of auditors, high administrative costs, highly contextual nature and therefore difficult adaptability of these approaches in various contexts, and last but not the least difficulty of measuring results of these initiatives.

Professor Fox made the closing remarks. He indicated that both cases are examples of sandwich strategies where coalitions of pro-accountability forces that cross the state-society divide act to offset anti-accountability forces.

IV. REFLECTIONS

Roby Senderowitsch, Manager of GPSA, also highlighted the fact that these cases present great examples of constructive engagement where citizens and government officials work together to solve accountability challenges for better service delivery. In both cases, citizens and governments worked as partners to monitor the flow of funds. Yet, the cases also show that the value of social accountability does not only lie in helping to reduce corruption; they also highlight the importance of citizen trust both as an input and an output of the social accountability process. While some level of citizen trust is almost necessary to be able to implement social accountability activities, these activities in turn can generate more citizen trust that further strengthens the governance processes.

Roby also pointed out that the cases highlight a significant shift in paradigm. Instead of citizens trying to convince government to provide space for citizen engagement, governments are pro-actively seeking citizen participation in governance processes. They are demanding that citizens be partners with government to improve accountability. In Roby’s words, this represents a new era of citizen centric government.