What does good governance mean for international development? In this issue of the IBP newsletter, development experts from around the world react to a recent presentation by Francis Fukuyama on good governance. What makes a good citizen budget? Connecting the dots of the Open Budget Index reveal important conclusions on what makes a good citizen budget.

The newsletter also provides current stories on the budget work of CSOs in Chad, India, Kazakhstan, Nigeria, and Zambia working to analyze the impact of public spending on target groups and to promote transparency and citizen participation. This issue tracks new budget initiatives in Ethiopia, Pakistan, and Lebanon and presents some of the challenges and opportunities of budget work in these countries.

Participants attending IBP training reflect on their learning experience following a budget workshop in Tanzania. A workshop organized by ActionAid on macroeconomic policies reminds us of the importance of the impact of loan programs on the sizes of national budgets. Finally, we introduce a new handbook by CIPPEC, Argentina on how civil society networks can help influence government. Other publications reviewed include the Tax and Justice Network Newsletter. We hope you find this issue useful and welcome your comments and ideas!

Theory and Practice: Ideas for Successful Civil Society Interventions

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Francis Fukuyama’s Address on Good Governance: Civil Society Response by Manish Bapna, Miguel Braun, Linda Cornett, Albert van Zyl, and Shizu Upadhya

On March 20, 2007, the Transparency & Accountability Program (TAP) at the Brookings Institute, the Johns Hopkins School of Advanced International Studies (SAIS), and the International Budget Partnership held a conference on “Civil Society and Improved Governance in Developing Countries.” The keynote speaker was Dr. Francis Fukuyama, Bernard L. Schwartz Professor of International Political Economy at SAIS and Director of the International Development Program. Dr. Fukuyama covered a range of issues related to the role of political systems and international and domestic stakeholders in promoting good governance. Below are reactions to Dr. Fukuyama’s presentation from several budget experts around the world.

To read Dr. Fukuyama’s presentation, go to: http://www.internationalbudget.org/resources/library/Fukuyama.pdf.
To read the transcripts of the conference, go to: http://www.brookings.edu/comm/events/20070320.htm.
Francis Fukuyama’s keynote address represents the most recent expression of a growing convergence in the development field around the importance of governance and anti-corruption to economic development and poverty reduction. In a field traditionally driven by deep ideological cleavages, the governance agenda nevertheless finds adherents across the political spectrum. It appeals to many groups on the left who have long objected to the World Bank’s willingness to lend to authoritarian and corrupt governments which impoverished their countries even as they repressed their citizens. It is equally attractive to elements on the right (neo-cons) who have championed “democracy promotion” globally. Pragmatists of any political persuasion and most scholars in the field simply cannot ignore the poor empirical record of aid effectiveness in the absence of capable and accountable governance.

The growing consensus about the importance of good governance to economic development and poverty reduction provided the rationale behind the World Bank’s new “governance and anti-corruption strategy.” Disparate groups in favor of prioritizing good governance and anti-corruption, found a powerful ally in World Bank President Paul Wolfowitz, whose commitment to aggressive international “democracy promotion” is legendary or notorious, depending on your position.

Ironically, despite growing consensus about the critical importance of governance to development, the Bank’s current governance and anti-corruption” strategy is at odds with another emerging consensus among development specialists and shared by Fukuyama: namely, that the path to good governance and economic development is an exceedingly long, complex, historically, and culturally contingent process that is virtually impossible to engineer, especially from the outside. Based on his reading of the theoretical debate and historical evidence, Fukuyama concludes that “there is much more design latitude in the way that institutions are actually formulated and implemented” than the current approach to governance and anti-corruption commonly assumes; and there is no optimal design for good governance that will work in every situation. Governance and anti-corruption strategies which treat “public-sector reform as a kind of technical issue...will never get anywhere because [they] will not address the underlying political incentives.”

The World Bank’s current governance and anti-corruption strategy is symptomatic of the ill-advised approach Fukuyama critiques. Operationally, if not rhetorically, the Bank all but equates good governance with anti-corruption and seeks solutions in standardized public administration reforms designed primarily to limit the opportunities for corruption by limiting discretion in the public sector. Over the last five years, the Bank has devoted the largest share of its total lending to the Public Administration, Law, and Justice sector. Unfortunately, this approach has proven inadequate to the task of rooting out entrenched patterns of corruption and state capture. The World Bank’s 2006 Annual Review of Development Effectiveness admits that while Bank “assistance has led to improvements in the quality of public sector management processes in some countries,” they have “not yet translated into improvements in the perceived quality of governance in most of these countries” (p. xiv).

If the Bank’s traditional supply-side approach to governance and anti-corruption is ineffective, it is also poorly equipped to foster demand-side reforms. The World Bank is legally and effectively required to operate through governments, who may resist real reforms that threaten entrenched patterns of power and privilege. Fukuyama specifically
warns against the temptation to resort to conditionality to try to force political reforms on unwilling domestic partners. It does not work. Outsiders cannot engineer “demand” for good governance any more than it can “supply” good governance through institutional reform. The knowledge, skills, and political leadership for successful reform “cannot come from Washington, it really has to come from people who understand both the formal and informal rules by which their societies work and are governed.”

While local knowledge, capacity, and commitment are necessary for effective reform, Fukuyama does note that there is a considerable amount of expertise in the broader “political development community” that has been neglected by the “economic development community” (Fukuyama’s phrasing). These groups are both more ambitious and more humble than their counterparts in the “economic development” agencies. They are keenly aware of the significant political (versus technical) challenges posed by reform. In fact, reforms are effective to the extent that they redistribute power to the consumers of government services, at the expense of powerful public and private sector elites who collude to shape the legal, policy and regulatory environments in their own private interests. Vested interests can be expected to resist. Thus reformers have “relatively modest expectations” about what they can achieve in a short time. They are ready to exploit openings opportunistically and pragmatically. Ultimately they recognize that societies and countries develop, politically as well as economically, through a long and politically contested process of process of trial and error.

What Fukuyama does not say directly, but that is implicit in his argument, is that the trial and error method does not work without feedback and accountability – another point around which there is growing consensus. When the people who have the most to gain from good governance and anti-corruption are free to speak, assemble, and organize on behalf of their own interests they can become a potent and sustained force for reform. While there are no guarantees that reform movements will be successful, historically there are few examples of successful reforms that were not supported and sustained by organized and vocal domestic constituencies.

Again, what Fukuyama does not say — but that is consistent with his reasoning — is that the Bank can serve the cause of good governance and anti-corruption most expeditiously in its own projects and operations. Given the state of uncertainty regarding the ultimate ends, means, and path to good governance as well as disappointing results of ten years of Bank-supported public administration reform, the Bank can advance its agenda most confidently by promoting greater transparency and stronger civil society engagement in the identification, design, implementation, monitoring and evaluation of its own projects and operations. “There is significant evidence that participation can in many circumstances improve the quality, effectiveness, and sustainability of projects, and strengthen ownership and commitment of government and stakeholders” (World Bank, 2005, Issues and options for improving..., p. 6).

Students of “political development” could teach practitioners in the “economic development” field one more thing: on top of the instrumental value, the opportunity to participate in decision-making processes is also intrinsically important to individual and community development. Surely human development is the ultimate goal and measure of the development community’s work.

Commentary by Miguel Braun, fiscal policy director of the Center for the Implementation of Public Policies for Equity and Growth (Argentina)

Francis Fukuyama argues in his address that governance matters for development. In
plainer language, this means that if we want to improve the lives of the people who live in our countries, we should care about how the government works, how politicians are elected, how the budget is decided on, etc.

He gives three convincing reasons why improvements in governance cannot be “imported” from Washington: 1) institutions reflect underlying patterns in society and cannot easily be changed; 2) for institutions to change, local demand for change is needed; and 3) politics matters a lot. A merely technical blueprint for improved institutions will probably fail dramatically if it does not take into account the political reasons why institutions do not work properly in the first place.

To those of us who are in the business of promoting “local demand for better institutions” (Washington-speak for the struggle of CSOs and budget groups around the world to improve the way governments deliver basic services to the poor), this is music to our ears. Certainly incumbent regimes have no incentives to improve transparency, accountability, and governance. Budget groups understand that we have to demand this — by working with the press, political parties, and groups that share our values, as well as with other relevant actors.

I hope that Dr. Fukuyama’s message will be widely heard by the international development community, and that more direct assistance will be forthcoming to local actors that are working to improve governance.

Commentary by Albert van Zyl, senior budget researcher at the International Budget Partnership (South Africa)

In his talk, Fukuyama restates the 'governance question' in development debates. In short it is that 'institutions matter'. So he argues that one should not approach development as a technical 'how to' question because development always involves other people with their own interests, habits, traditions and cultures. The challenge is not only one of doing something yourself, but rather of how to get other people to do something. This approach is central to the way in which budget CSOs have learnt to work over the last 15 years or so. CSO have discovered that their relationships with institutions such as legislatures, the executive and audit institutions are a key determinant in the impact that they have on government actions and decisions.

Surprisingly Fukuyama does not speak about the values that are pursued by governance institutions. One does not promote these institutions for their own sake. The reason one builds institutions is that they will make things better. So one would hardly be supporting and consolidating an Executive or Parliament that opposes core democratic and social values.

The last part of Fukuyama's paper reflects on why governance reform is so hard to do. He gives three reasons. First, he refers to the 'lack of fit' between the underlying society and the institutions that were introduced by colonial powers. This debate raged furiously in Europe in the mid-1990s when some influential academics (Betrand Badie’s ‘Imported State’, Stanford University Press 2000) argued that democratic institutions are 'culturally specific' to Western Europe. The institutions that the West is trying to 'transplant', they argued, are alien to the environments into which they are being transplanted and cannot grow there.
Some of the established democracies in Africa such as Senegal, Ghana and Botswana show such generalizations to be false. But it is hard to deny that democratic institutions are influenced by the contexts within which they develop. So this argument still poses interesting questions to budget CSOs: What is the ideal vision that we have for each of the countries that we work in? What we work towards in Chad must surely be different from what we pursue in Croatia?

Second, Fukuyama argues that governance reform is hard to do because it does not take place unless there is strong domestic demand for it, whether from the bottom or from the top. There is a general consensus that governance reform should be driven from inside the countries that we work in. But many CSOs would argue that ultimately such reform needs to be driven from the bottom through citizens and grassroots organizations, and not by elites. In the discussion subsequent to his paper, Prof. Fukuyama did concede that the civil society has a key role to play, even where reforms are driven by elites. In many countries we see that budget CSOs work in partnership with ‘governing elites’, so these two origins of reform need not be seen as mutually exclusive. In fact there can be some strengths to this approach as we can see in the emerging partnerships between CSOs and Audit Institutions.

The third reason he argues that governance reform is hard to bring about is that it is a ‘species of gardening’, rather than a form of engineering. By this Fukuyama means that one can't approach governance reform as a linear process where you do certain things that have predictable results. It is more like the process of sowing seed that grows or doesn't depending on a range of factors that are not all under your control.

The impact of applied budget work is often difficult to measure because it too is a form of gardening, rather than engineering. But ultimately the gardening metaphor does not require a fundamental change in how we measure impact. It reminds us of the importance of institutions, partnerships and patience in bringing about change. But it does not give us a different way of measuring or talking about impact. Ultimately we can't help but use the language of cause and effect in talking about CSO budget work or any other kind of support to governance reforms.

**Commentary by Shizu Upadhya, economic researcher (Nepal)**

As Dr. Fukuyama notes, the impetus to reconnect the political and economic sides of development has come in part from American academia, particularly since 1990; examples include the contributions of Douglass North to institutional analysis and of Elinor Ostrom to public choice theory. Dr. Fukuyama’s own ‘end of history’ pronouncements reminded us that development was not supposed to be just a means of accelerating economic growth, but rather should be seen as part of a much wider process of social evolution.

But there have also been other factors. One significant factor is that the development community has begun to take note of divergences in poverty and social development outcomes in developing countries that aren’t easily explained by prevalent —largely economic — theory. For example, the achievements of Botswana, Costa Rica, Sri Lanka, and Thailand, amongst others, have come to be seen as the result more of political incentives than economic ones. This reflects a more general recognition among development practitioners of the need to better understand conditions “on the ground.”

In turn, paying more attention to local actors has paved the way for more vigorous discussion of issues of comparative advantage in international development and the desirability, in Dr. Fukuyama’s words, of a more careful division of labor. Oftentimes this
has been a difficult process, raising uncomfortable questions previously left unexplored: How much, really, do the incentives driving a rushed, overworked donor agency match those of a local bureaucrat with plans for the long run? How informed are donors of local events that transpired before they came on board, and do they even care? Do project beneficiaries ever tell donors the truth?

We have a situation, then, where an improved understanding of the mechanisms of development has also revealed the limitations of what donor agencies can practically achieve, particularly in relation to citizens of the recipient country. One instinctive response has been for donors to start looking more at processes, not just outcomes, paying attention not just to the things they want to achieve but also how and with whom — and laying increasing emphasis on non-state actors. Other potential responses include allowing for longer time horizons in planning processes (the MDGs, for instance), conducting better and more frequent results evaluations and, as Dr. Fukuyama points out, avoiding overpromising.

Yet much more remains to be done. The realignment in international development between the rights and responsibilities of outsiders and insiders, as it were, has only been partial so far. Donor governments have yet to meet their various commitments on aid quantity and aid effectiveness (most recently, the commitments made in Paris in 2006) and must begin untangling their assistance. Systems of global governance operate overwhelmingly in their favor and remain unjust. Recipient country governments too continue to back out of policy commitments they made to their electorates. This problem is reflected most starkly in comparisons between budget allocations for defense and allocations for the social sector (much of which is actually funded by aid).

The missing link in this all is a point made by Dr. Fukuyama: the need to generate a much stronger demand for change. This is where civil society and ordinary citizens come into play. In both the North and the South, the onus is really on citizens to take a renewed interest in their state of affairs, become more informed, design plans of action for change, and then start seeing them through.

The past 50 years have shown that moments of transition are rare in international development. If now is indeed such a time, we should not be relying on Professor Fukuyama and other faraway academics to provide us with the right ideas, especially since academics themselves are increasingly bringing their theories in line with real-life incidents.

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**Making Citizen’s Budgets Effective by José M. Marín**

The results of the Open Budget Index [http://www.openbudgetindex.org](http://www.openbudgetindex.org) along with interviews with participants of the Open Budget Initiative present important lessons about citizen’s budgets and what makes them effective. In brief, those lessons are: a citizen’s budget should not be a substitute for high-quality core budget documentation, it should reflect the level of budget literacy in the country, and the government must ensure its proper dissemination.

A citizen’s budget provides a summary of the government budget that is designed to be accessible to as many people as possible, giving them an opportunity to engage in the budget process and thereby influence government policies. Unfortunately, only 10 of the 59 countries examined in the IBP study — Angola, El Salvador, France, India, New Zealand,
South Africa, South Korea, Sweden, Uganda, and the United Kingdom — publish a citizen’s budget, and in most of these cases the citizen’s budget does not accomplish its intended goal.

In some of these countries, like New Zealand, Sweden, and the U.K., the executive publishes a budget summary that can be considered a citizen’s budget. In other countries, like El Salvador and South Africa, the executive publishes a budget guide specifically for citizens.

Regardless of the format the citizen’s budget takes, it cannot take the place of accessible, high-quality core budget documentation. Civil society groups that engage in budget work tend not to use the citizen’s budget. One reason is that these groups usually have some technical capacity to interpret the budget documents directly. Another reason is that most of these groups work on sectoral issues such as health or education and thus require detailed information that generally is not found in a citizen’s budget. (One recommendation by the country experts who helped conduct the IBP’s transparency study was that governments provide summaries of sector budgets).

The degree of complexity of the citizen’s budget should reflect the country’s literacy level. For example, in Sweden the citizen’s budget takes the form of a written summary, whereas Angola, which has a much lower literacy level, includes pictures to make its citizen’s budget more accessible. In El Salvador, the citizen’s budget can be understood by a citizen with secondary education which makes the document accessible to more citizens. India’s citizen’s budget, however, has been criticized for containing overly technical language.

Making the citizen’s budget accessible to non-specialists is especially important in countries where the media is not very active in reporting about the budget. In these countries, the citizen’s budget needs to be geared to the general public, which will not be able to rely on the media for budget information. In contrast, in countries with a free and active media, the citizen’s budget can be geared more to reporters, helping them understand and cover budget issues.

To be effective, a citizen’s budget must also be widely disseminated. Some countries provide the document online and rely mostly on the Internet to reach the targeted audience; others print it as a pamphlet or magazine insert. Governments must keep in mind what kinds of media reach the most people; as one of our researchers pointed out, “A citizen’s budget can be produced to look very nice but is accessible to only a few” said Anna Schnell from Melander Schnell Consultants. In El Salvador, for example, the citizen’s budget is only available on the Internet, even though only about 9 percent of the population has Internet access.

Governments also need to be pro-active in their dissemination and education efforts around the citizen’s budget. For example, Angola’s citizen’s budget is only published in Portuguese, when many different languages are spoken in the country, and is not even distributed to many of Angola’s provinces. These weaknesses seriously undermine the document’s effectiveness.

The timing of the citizen’s budget is very important in determining whether it succeeds in promoting public participation in the budget process. Not all citizen’s budgets are released in time to allow for public participation. In El Salvador, for example, the citizen’s budget is published after the budget is enacted. In South Africa it is released along with the executive’s budget proposal, which is the same as the enacted budget since the South
African parliament does not have the legal right to amend the budget. While it is common in parliamentary systems for the budget proposal to be approved as is, this does not preclude citizen participation. For example, the United Kingdom releases a summary of the pre-budget report, and citizens can mail in their opinions at no cost. This summary contains the main fiscal policies the government will be implementing, revenue and expenditure forecasts as well as a summary of the forecasted macroeconomic environment. For 2007 the pre-budget report will be presented in March, while the summary of the pre-budget report was posted on the Internet in December of 2006. This allows at least three months for citizens to voice their opinions on the priorities of the upcoming budget in the United Kingdom.

To promote public participation, the citizen’s budget should also include information about the budget process and opportunities for citizens to voice their opinions. Many citizen’s budgets lack this information. One solution would be to include a “how to” section explaining how the budget is created and how citizens can influence the budget process. It would also be helpful to include information such as comparisons to previous budgets and concrete ways to measure success toward the government’s policy goals.

For more information, contact José M. Marín at marin@cbpp.org.

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**Monitoring Expenditures on the Disabled in Kazakhstan by Namys**

In Kazakhstan, a nongovernmental organization called Namys (“Conscience”) has been advocating successfully for the rights of disabled persons.

Created in 2002, Namys initially focused on pushing for a new and more progressive law for the disabled that recognized their rights and established programs to provide rehabilitative services. Namys drafted such a law and asked the government to use it when drafting the official version of the law.

When the government produced a draft that represented a return to the old Soviet policy of blaming the disabled for their conditions, Namys launching an aggressive campaign to influence the government. Namys coordinated a number of events to protest against the proposed law, submitted petitions to the president outlining concerns about the law, and organized media events to publicize its demand for improvements.

These efforts paid off when the government accepted some of Namys’s main recommendations, including making public agencies responsible for protecting the rights of disabled persons. The new law also established various rehabilitative programs to provide disabled persons with medical services, education and job skills, and social security.
(including welfare payments). The amount allocated for these programs over the next three years was greater than in the previous budget.

As the logical next step, Namys focused its attention on analyzing the expenditures allocated to assisting the disabled to ensure that they were used appropriately. It organized a broad coalition of more than 30 non-governmental organizations supporting disabled persons from all over the country and began its monitoring campaign in the Almaty province in southeast Kazakhstan.

The campaign uncovered several irregularities in the execution of programs for disabled persons. In one case, for example, funds budgeted for promoting sporting activities among disabled persons were instead used for other sports. Namys presented evidence of this problem to the local mayor, who in turn organized a meeting with the relevant sports committee. At that meeting, which Namys attended, the committee acknowledged its mistake and promised to rectify the situation.

In another example, Namys found that a program under which the city of Almaty provides wheelchairs to disabled persons was procuring wheelchairs of very poor quality. Namys raised this issue with the mayor, who appointed a disabled person to serve on the board that manages the wheelchair purchases; that individual has since made improvements in the way wheelchairs are selected.

Finally, Namys discovered long delays in the release of funding for certain programs for the disabled; as a result of these delays, some funds were never spent. When told of Namys’s finding, the government assured the group that funds will be released promptly in the future.

Namys plans to leverage its successful monitoring project to undertake new monitoring activities in other regions of Kazakhstan in coordination with local partners. It has established a network drawn from members of the national legislature, regional authorities, and media outlets that will monitor budgets and programs for disabled persons; Namys will coordinate the network’s activities. Namys is also planning to set up an information clearinghouse that will provide information on programs and funding available for disabled persons in the country, along with information on techniques that persons interested in monitoring these budgets can use to track expenditures.

Namys operates with a relatively small staff of 12 full-time employees, but they are supplemented by approximately 70 volunteers. For more information on Namys, go to: www.invalid.kz and www.namys.os.kz.

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**Strengthening Budget Transparency through Public Participation by Mary Okpe, CDD Nigeria**

The Centre for Democracy & Development (CDD), an international NGO, is monitoring implementation of Nigeria’s National Economic Empowerment Development Strategy (NEEDS), a reform plan designed to promote economic development and reduce poverty through steps such as privatization, enhanced transparency, and greater anticorruption efforts.
CDD conducts research, training, and advocacy on issues of democratization, development, and human security in West Africa. Its primary focus is on democratic development, or a development process that is democratically controlled.

Two years ago CDD conducted an examination of poverty in Nigeria and potential solutions to it. The research showed that increases in government revenues have not led to improvements in Nigerians’ lives. The poor continue to suffer from inadequate access to education and health, lack of potable water, and other problems. Moreover, despite significant progress in budget transparency within the central government, state and local governments are still secretive with regard to their budgets, and the delivery of services to citizens has not improved.

Currently CDD is helping civil society groups implement a project to monitor NEEDS and a parallel state-level reform plan, the State Economic Empowerment and Development Strategy (SEEDS), at the national and state levels. The monitoring project is tracking federal and state revenues and expenditures in the country’s six geopolitical zones.

CDD has already conducted a baseline survey examining citizens’ knowledge about budget and development programs in their community and has developed templates to track budget processes to see whether they comply with the targets defined by NEEDS. In addition, CDD has conducted a budget literacy training for 180 individuals from among civil society groups, community-based organizations, and the media to monitor budget implementation at the local level.

CDD’s planned future activities include:

- training project coordinators around the country to strengthen their advocacy and research skills
- monitoring budget performance for compliance with the NEEDS/SEEDS policy commitments
- analyzing the trends identified during monitoring
- providing technical support to government economic-reform agencies
- promoting dialogue among stakeholders at the state level
- disseminating information through a budget monitoring website and periodic publications

Effective tracking of the budget in relation to the priorities established by NEEDS/SEEDS will produce savings that can be used to help reduce poverty. It will also promote the NEEDS/SEEDS goal of improving public accountability. The long-term goals of the monitoring project include:

- better delivery of government services at the local, state, and national levels
- stronger public demands for good government, as more and more people take an interest in how resources are spent on their behalf
- empowerment of community groups to analyze budget data and influence policy

For more information on CDD’s budget work, go to: www.cddwestafrica.org.
Tracking Health Budgets in Zambia by Thabale J. Ngulube and Fastone M. Goma, Centre for Health, Science and Social Research (CHESSORE)

Since 2003, the Centre for Health, Science & Social Research (CHESSORE), a Zambian NGO, has been analyzing Zambia’s annual health budget in order to promote public participation in government spending decisions.

The government, which is working to align its health policies with the overall development initiatives contained in Zambia’s Fifth National Development Plan, has acknowledged the need for community participation in the formulation of the budget, including the health component. However, CHESSORE’s preliminary work suggests that the public is not yet effectively engaged in this process. This has led to both underfunding and misapplication of scarce resources, which in turn has prevented progress in reducing the level of disease. Zambia's chances of attaining the health-related Millennium Development Goals are diminishing every day.

CHESSORE plans to use a health-rights approach to address the issue of health funding at the district level, with an emphasis on community engagement. By helping the public understand the process of health budgeting, CHESSORE hopes to make the public health budget an area for discussion and comment by local as well as national stakeholders. The public health budget, in turn, can serve as an entry point for communities to engage with their health system and promote and claim their right to health.

CHESSORE was launched in 1994 in response to the failure of previous national development efforts. The group’s founders recognized the need to learn from these efforts to inform future development initiatives, given that previous national development plans were poorly documented and thus provided few lessons for the future. CHESSORE’s goals are to:

- undertake applied research and training in the fields of health, pure sciences, and the social sciences, using a multi-disciplinary approach
- build Zambia’s capacity for applied research to support ongoing development initiatives
- encourage greater community involvement in government decisions

In addition to promoting research as a tool for planning and development, CHESSORE conducts various activities to educate the general public, such as holding conferences, presenting lectures, conducting workshops, and publishing books, leaflets, and videos.

For more information, contact Fastone Goma at chessore@zamnet.zm.

Oil Revenue for Development Projects in Chad, GRAMP-TC

Supported by the CSBI (Civil Society Budget Initiative), GRAMP-TC recently organized 3 training courses on the participatory management of the government budget in Chad. The first two workshops took place in the oil producing regions in southern Chad. One of these regions, Logone Oriental, receives 5 percent of the total revenues of oil, an amount intended for investment in social projects. The third workshop took place in the capital of N’Djamena.
More than 140 representatives of local NGOs were trained during the workshops outside of the capital. These workshops covered topics such as the national budgets and the principles informing it, the role of CSOs in the budget process, the national poverty reduction strategy, the role of the legislature, the tools for gathering budget data, and the organization and operation of civil society budget work.

Subsequently to these training workshops local civil society monitoring committees were established. These committees are intended to monitor the allocation and implementation of the development projects funded by oil revenue.

Subsequent to the workshops, one of the participating organizations CACOD-LOR, requested a meeting with the prime minister to discuss the problem of development project contracts being awarded to companies with questionable capacity for the relevant projects. One example is a contract to build a sports stadium that was awarded to a hydrocarbon company based in the capital city. Apart from the lack of capacity of the contractor this project also does not meet the needs of the local population that does not have access to drinking water or sufficient primary health care.

The meeting with the prime minister did not take place, but key officials explained that in practice these local development projects were being decided by the prime minister and not by the local committee established for this purpose. Despite the meeting not taking place, no further contact has been awarded since CADOC-LOR draw attention to these issues.

The local committee who is actually supposed to allocate these projects has subsequently organized a social communication campaign to inform the local populations of the available funding and the way in which it is allocated.

Both the training and the follow up by CACOD-LOR have generated interest from beyond the region as well. This has resulted in requests of similar training from other regions.

For more information, contact GRAMP-TC at gramptc@intnet.td.

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**The Impact of India's Union Budget 2007-08 on Women, Centre for Budget and Governance Accountability (CBGA)**

The first gender budgeting statement in the Union Budgets 2005-06 included 10 demands for grants. In the year 2006-07, this was expanded to 24 demands for grants under 18 ministries/departments of the Union Government and 5 Union Territories. This year's gender budgeting statement covers 33 demands for grants under 27 ministries/departments and 5 Union Territories. The total magnitude of the Gender Budget has also gone up from 3.8 percent to 4.8 percent (as a percentage of total Union Government Expenditure). The Centre for Budget and Governance Accountability (CBGA) has prepared an analysis of the 2007-08 Union Budget's impact on women. Below are some highlights of the report:

**Basic Education**

The government needs to take strong measures to strengthen the educational infrastructure for girls and expand specific programs targeted on girls. In the new Union Budget,
the Kasturba Gandhi Balika Vidyalaya scheme has been merged with the Sarva Shiksha Abhiyan, which makes it very difficult to track the outlays for this specific scheme. The allocation for Mahila Samakhya scheme has been increased only marginally from Rs. 30 crore in 2006-07 to Rs. 34 crore in 2007-08.

The share of the total allocation for the Department of School Education and Literacy that is devoted to girls' programs declined from 43 percent in 2006-07 to around 40 percent in 2007-08.

Health and Family Welfare

Most health indicators, especially those related to maternal and child health, demonstrate India's poor record in key aspects of human development. The country's very low level of public spending on health — slightly above 1 percent of GDP — has often been cited as a reason for the dismal state of affairs in the health sector. The United Progressive Alliance has stressed that public spending on health should be stepped up to 3 percent of GDP.

The size of the budget allocation for Rural Family Welfare Sub-Centres has important implications for the health of women in rural areas. Therefore, the increase in that allocation this year is welcome. Also welcome is the increase in the allocation for the National Rural Health Mission for next year. However, the fact that these programs' full budget allocation will apparently not be spent this year raises another concern, as it shows that the government has been unable to address the institutional bottlenecks in the crucial sector of health and family welfare.

One of the biggest disappointments in the Union Budget is the reduction in allocations for the Reproductive and Child Health program. Worse, only around three-quarters of the funds allocated for the program this year have been spent.

Housing

The Gender Budgeting Statement presented in the 2007-08 Union Budget states that 100 percent of the allocations for the Indira Awas Yojna (IAY) housing program for the rural poor are women-specific. However, information from the Department of Rural Development shows that more than 15 percent of the houses constructed under the program were allotted to men, and a larger share was allotted jointly to married couples. Only 49 percent was registered in the name of women and yet 100 percent allocations have been treated as exclusively for women.

Therefore, it cannot be claimed that the entire IAY allocation is women-specific. But greater priorities for rural housing are certainly required for provision of housing to women, and in this regard IAY is important. In other words considering that women's ownership of housing and land is so abysmally low, we need to focus more on housing for women and IAY is important nonetheless, since at least 49 percent houses are being registered in the name of women.

The government's only major housing program for the urban poor has been discontinued. A new program is supposed to start in 2007-08, but the budget's overall allocation for housing for the urban poor is quite small. Hence, with regard to housing for poor women in urban areas, the budget is clearly a disappointment.
**Special Interventions Under the Ministry of Women and Child Development**

The Ministry of Women and Child Development operates several programs to assist working women and women in distress. The new budget includes welcome increases in funding for programs that help victims of human trafficking and provide hostels for working women. However, substantial increases are also needed for the national day-care program for the children of working mothers and "short-stay homes" (a short stay home is a temporary shelter provision for women in crisis situations) for destitute women.

Moreover, many women's groups would be disappointed to note that there are no allocations to implement the Domestic Violence Act. The passing of this act in 2005, after a long struggle, was a historic achievement for Indian women. The lack of any allocation for this act puts a question mark on the government's commitment to ensure that this act becomes a reality for women and does not remain confined to the law books.

To read the gender analysis of the budget, go to: [http://www.internationalbudget.org/resources/howto/UnionBudgetandWomen.pdf](http://www.internationalbudget.org/resources/howto/UnionBudgetandWomen.pdf).

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**New Budget Work in Pakistan, Omar Foundation**

In Pakistan an established civil society organization has recently begun to incorporate budget analysis into their set of core activities. With support from the International Budget Partnership, the Open Society Institute, and the Civil Society Budget Initiative, new projects are underway to increase citizen awareness and involvement in issues surrounding government budgets.

The Omar Asghar Khan Development Foundation ([www.oakdf.org.pk](http://www.oakdf.org.pk)) has initiated the pilot year of a new project: “Putting Money Where the Needs Are: Matching Money with People’s Priorities.” The foundation was founded in 1999 to promote the human rights of the poor and vulnerable through advocacy, social mobilization, and service provision. It works to create opportunities for people to work collectively towards human and livelihood rights by building asset bases and making institutions and policies more pro-poor.

The new project will further that mission through citizen activism to push for more effective use of resources and an expansion of the political space for participation in the development process, basing its arguments on evidence from local communities. The project's goals are to make government policies more responsive to the needs of affected populations (particularly the marginalized) and to improve government accountability and transparency.

In pursuit of these goals, the foundation has developed an ambitious five-year plan for "demand side" budget work through community-based needs assessments, government engagement for appropriate allocations, implementation monitoring, and budget and policy advocacy. The new project reflects a citizen-centered approach to budget work that engages citizens directly in gathering and analyzing information as a way of organizing and building participation, in contrast to a more policy-centered process where “expert” civil society policy researchers produce analyses for a government audience.
Activities in the pilot year (which began in July 2006) are focusing on urgent community needs associated with earthquake relief and reconstruction in the mountainous North-West Frontier Province. The project is beginning work in 11 of the worst-affected union councils, each of which consists of 20 to 30 villages. This initial focus on the reconstruction process is expected to build capacity — in both the foundation and local partners — for future work around other development needs.

Of necessity, many of the foundation’s recent activities have centered on relief to victims of the devastating 2005 earthquake, which was focused in a region where the foundation is already very active. The foundation used local contacts and knowledge to join in relief efforts and emergency service provision through its regional offices. Also, it continues to be active in the routing of funds and policy implementation in ongoing rehabilitation efforts, working with local groups. Donor funds for this work are provided through the Pakistan Poverty Alleviation Fund and the government reconstruction authority.

An estimated $5.2 billion in foreign funds has been pledged for future reconstruction efforts, which raises important questions about transparency and public accountability. Numerous recent international efforts to mobilize resources in response to disasters and conflicts risk generating “donor fatigue” in the absence of accountability and demonstrated results for those funds. One of the best ways to hold governments accountable for rehabilitation and rebuilding is by having the very people who are meant to receive the aid monitor and advocate for its effective and fair distribution.

The core element of the foundation’s budget project is helping communities develop village-level rehabilitation action plans (V-RAPs). The foundation has selected representative villages in each of the initial 11 union councils and is facilitating with local partners a five-day process in each village to identify and prioritize needs with local groups. Individual V-RAPs are then consolidated into a single action plan for each union council, and then further consolidated into district-level action plans for affected areas by representative analysts from village groups. The resulting action plans, which detail the steps required of government and other stakeholders (including estimates of the necessary budget allocations), are validated in local meetings and at broader “people’s assemblies” convened by the foundation.

Finally, the action plans will be presented to government decision-makers in meetings organized to ask officials how those priorities are being addressed and to press for more action in both rehabilitation budgets and recurrent budgets. The foundation will provide participating citizens’ groups with advance training in budget processes and effective advocacy techniques.

To monitor local implementation of the plans in selected union councils, the foundation will help create local organizations that will fill out “citizen report cards” comparing government promises with observable outputs. The report cards will be released to the media and stakeholders in order to promote citizen engagement with government. A strong program of media engagement is also planned.

At the end of the pilot year, the foundation will review the results and consider expanding into other geographic areas and development budget issues. Work is expected to continue in the earthquake zones, though rehabilitation monitoring efforts in these areas should require less intensive support and permit expansion of the project elsewhere.
Challenges and Opportunities for Budget Work in Ethiopia, Poverty Action Network of Civil Society in Ethiopia (PANE) by Gweneth Barry

Advocacy work in general and budget work in particular are new fields for civil society in Ethiopia. The Poverty Action Network of Civil Society in Ethiopia (PANE) is working to build interest in joint work in this exciting new area. Constraints still exist due to the complex nature of Ethiopia’s budget system and the lack of publicly available information on the budget. However, civil society is rising to the challenge and learning how to engage effectively in the budget process.

The emergence of advocacy and budget work

Traditionally, NGOs in Ethiopia have focused on service delivery and emergency relief. However, due to the creation of some political “space” and strong work by a few organizations, more and more civil society groups are beginning to see advocacy as part of their mandate. As part of this shift, they are beginning to look toward the government budget as an essential tool for bringing about real changes.

The emergence of civil society networks focusing on advocacy is a concrete indicator of this rising interest. For example, the Poverty Action Network Ethiopia (PANE), formed in 2004 out of a task force established to respond to the PRSP process in Ethiopia, is now one of the leading advocacy networks in the country, with more than 70 members.

PANE has highlighted budget work as one of its key areas for policy engagement. Several members of PANE had begun engaging in budget monitoring and advocacy on their own, and more were keen to develop this area of work, so PANE established a Budget Group to bring these organizations together to share learning and develop joint work around the budget.

The wide range of budget work

The budget work being conducted by members of the PANE Budget Group covers a wide range of sectors and methods. One example is the joint effort by Helpage International, Hundee, and the Rift Valley Women’s and Children’s Development Association to involve older people in budget monitoring. These groups have formed monitoring committees of older people who work with district officials to identify community needs and then see whether district budgets reflect those needs. In another example, Action Aid is developing community-based monitoring projects to engage communities in the local budget process.

Other organizations have focused more on specific sectors of the budget. The Basic Education Association–Ethiopia has conducted a study with Oxfam Great Britain looking at how debt reduction has affected education spending. Save the Children Sweden and Save the Children UK have tracked spending in the health and education sectors that is aimed at children. Water Aid is researching the impact of spending in the water sector.
Work has also started on engaging grassroots constituencies in budget work. The International Budget Partnership’s Civil Society Budget Initiative has provided funding (through PANE) to enable the Network of Ethiopian Women’s Associations, the Basic Education Association, and Handicap National (a local NGO working with children with disabilities) to raise awareness of budget work among their network members, constituencies, and relevant stakeholders and show how they can join in this work. It is hoped that this will lead to promote budget work in the areas of gender, education, and children’s rights.

The PANE Budget Group has supported this work by providing training and a forum for sharing ideas and developing common activities. With assistance from the IBP, PANE held a week-long training in April 2006 in which experts from IDASA & UDN gave participants a grounding in the theory behind budget work. The PANE Budget Group has also held brainstorming sessions on members’ projects, visited a local NGO project to learn first-hand what it has achieved, and commissioned research by the Ethiopian Economics Association into the 2006 budget’s adherence to the priorities set out in the new PRSP.

**Working in a difficult context**

Ethiopia presents many challenges to budget work, such as lack of information. While the Ministry of Finance and Economic Development has recently begun to post more information on its website, this often does not include details regarding sector budgets or budgets for lower levels of government, which are vitally important in the country’s decentralized budget system. Local groups have also found that district authorities have been unwilling to give out any information at all.

In part, this reluctance to share information reflects officials’ belief that the information will be used against them. Also, government bodies remain strongly hierarchical, and lower-level officials often fear reprisals from above if they give out information that embarrasses the government. More broadly, citizens’ right to budget information simply is not widely understood. These problems can make it difficult to institutionalize a project, as the amount of information made available depends on arbitrary decisions by various individuals.

Another constraint in budget work is lack of experience. While civil society’s capacity in this area is growing, there is still a shortage of knowledge of the budget process and how to analyze budget documents. Also, there are few experienced practitioners in budget monitoring who can train other organizations, which creates problems for organizations that do want to engage.

**Planning for the future**

The PANE Budget Group is working to overcome these problems and expand its budget work. In recognition of the problem of obtaining information, it is planning a campaign to increase budget transparency.

PANE is also planning to assist members with further training. A comprehensive needs assessment will be conducted to spot the most urgent gaps and provide capacity building. The group is also working with members of the Institute of Development Research from the Addis Ababa University and economists from the Ethiopian Economics Association to draw in expertise for further work.
In addition, PANE wants to strengthen its own capacity, and the capacity of its members, to engage in exercises related to social accountability. As the donors at the moment are providing aid to the country through a different modality, known as protecting basic services (PBS), the role of civil society is quite high in empowering citizens and holding service providing agencies accountable. This could be achieved through activities such as budget transparency & literacy; budget tracking, budget analysis, etc.

As PANE seeks to expand budget work in Ethiopia, one of its biggest strengths is the sharing of ideas among its members. As more and more organizations conduct budget monitoring and advocacy, the range and depth of expertise in these areas will continue to grow. By building on each others’ experiences, civil society organizations in Ethiopia can begin to lay the foundations for a strong and dynamic engagement in the budget process.

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**Civil Society Environment for Budget Work in Lebanon**

On request from the Lebanese Physical Handicapped Union (LPHU) and the National Democratic Institute (NDI), the International Budget Partnership (IBP) conducted an assessment of the environment for civil society in budget work in Lebanon from 6-8 March 2007. A team of the IBP and LPHU reviewed key budget documents and interviewed CSOs, academics, government officials and members of Parliament.

The assessment found that despite the political instability in the country, there is a growing interest in budget related issues among CSOs in Lebanon. In fact some of the political tensions are fuelled by budget issues such as the government’s plans to increase VAT to 15 percent over the next few years in order to finance its massive debts.

While Lebanese CSOs have a reasonably strong advocacy background, they have not done much budget analysis. They therefore face the challenge of building up their analytical capacity and linking with researchers and academics that dispose of such capacity.

A further challenge faced by these CSOs is organizational in nature. Key organizational challenges that CSOs will need to respond to include: If they work in a coalition, where will the administrative and analytical capacity of the coalition be housed? If individual organizations will start doing budget work, how can their analytical and strategic capacity be nurtured in a stable organizational environment?

The report asks the question of where do you start with budget work in Lebanon and suggests two initial priorities. Despite the constraints to budget work in Lebanon, access to information on the government’s budget proposal is fair. One opportunity is therefore found in matching this information with informal opportunities to influence the legislature stage. This refers to a well-established practice of close collaboration between civil society and individual members of Parliament. For example, during the legislature stage of the budget there are instances of civil society drafting bills and getting MPs to sign and successfully table these in the legislature.

A second opportunity has to do with influencing the limited discretionary expenditure that is available. At the moment civil society efforts at influencing the budget are limited by the fact that most of the budget is tied up in debt servicing and the payment of civil servants’ salaries. The budget does not therefore contain much funding that can be shifted around.
Over the medium to long term government’s civil service and debt restructuring plans could make the budget more flexible.

At present, most of the discretionary funding that the government disposes of is earmarked for post-war reconstruction and is allocated by the Council for Development and Reconstruction (CDR). The allocations made by the CDR don’t however go through Parliament and are not published for public scrutiny. One of the key challenges to Lebanese civil society will be to make the allocations of the CDR more transparent and subject to the scrutiny of Parliament.

At the recent Paris donor conference, the Lebanese government announced a series of budget reforms that Lebanese civil society could piggy-back on. (Click here to read the Paris report). These include a series of reforms that will consolidate the fragmented public finance system in Lebanon and enhance budget transparency.

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The Value of Budget Training by Mary Okpe (Centre for Democracy and Development, Nigeria), Clara Chindime (Civil Society Coalition for Quality Basic Education, Malawi), and Mariska Meurs (Wemos, Netherlands)

From March 12 through 23, the International Budget Partnership, Fundar (Mexico), and HakiElimu (Tanzania) held an intermediate-level training on international budget analysis and budget advocacy in Dar es Salaam, Tanzania, for organizations from Bolivia, Holland, India, Kenya, Malawi, Nigeria, Pakistan, Philippines, South Africa, Tanzania, and Zambia.

One part of the training used simple math operations to guide participants through basic budget analysis calculations. According to one participant, “the teaching method was very practical, student-friendly, and very innovative.” This session was important because it showed participants when to intervene in the budget process; if the intervention is done at the wrong time, it may not achieve the desired impact.

Another part of the training focused on budget advocacy. A budget advocacy message should not just point out the country’s ills, but offer some solutions as well. Participants were shown how to develop smart objectives and were reminded that budgets are rigid, so not everything can be changed immediately.

The training also emphasized the importance of visual messages in budget advocacy. A video from Mazdoor Kisan Shakti Sangathan (MKSS), an Indian grassroots organization, made a lasting impression on participants of what budget tracking work can accomplish. Similarly, a trip to the office of HakiElimu gave participants a clear example of the power of media messages in budget advocacy. Many indicated that they would replicate those techniques in their respective countries.

Effective advocacy requires a communication strategy that clearly addresses:
- the objectives
- the audience
- the message
- how the message is framed
- who is the best messenger
- a calendar or plan of action
According to Clara Chindime from CSCQBE, the training made her aware of the need to consider the effects of inflation when demanding funding increases from the government, the various ways in which budget analysis can be used (other than comparing sector budgets to the national budget), and the importance of tailoring budget information to different audiences. “With the knowledge gained, I feel that our budget analysis will be more comprehensive and therefore more effective. Part of my job requires that I train coalition members in budget analysis and budget advocacy, so the training came at the right time, when the coalition is building the capacity of district education networks.”

Mary Okpe from CDD is responsible for a project that conducts budget tracking at the national and state level related to Nigeria’s economic development plan (see accompanying article), and she plans to share what she learned in the training with the project’s coordinators.

For more information, contact Mary Okpe at maryokpe5@yahoo.com and Clara Chindime at ccmlamba@yahoo.com.

Another participant from the Dutch NGO Wemos - an organization targeting both national and international policies that influence health – said “the IBP workshop helped us by taking us through the process of a budget analysis, the workshop demonstrated the importance of being strategic in every single step on the way. As a result, we are better able to focus our messages, working with different target groups.” Last year Wemos started an effort to collect information on health budgets and exploring budget work as a tool to strengthen the organization’s advocacy. Wemos also supported the participation of AIS (Bolivia), CIN (Kenya), CHESSORE (Zambia), and DORP (Bangladesh) in the workshop.

Wemos is applying the training experience to improve budget calculations (e.g., correcting figures for inflation, exploring concrete options to increase health budgets) and presentations, and involving other actors at the national and international level. Both DORP and AIS are planning to repeat the training workshop, in an adjusted form, at the national level to involve and train other civil society actors and public officials. CIN and CHESSORE will do the same probably at a later stage. Exchange visits are planned with other groups working on budgets to learn from each other’s experiences.

Wemos plans to continue monitoring progress on alignment and harmonization and the impact of conditionality on the health sector in all four countries. Wemos, CIN, and CHESSORE are starting an investigation into funding for Human Resources for Health and the impact of donor funding at the operational level in a number of districts in Kenya and Zambia.

For more information, contact Mariska Meurs mariska.meurs@wemos.nl.

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**Training for NGOs on IMF Macroeconomic Policies and Impacts on National Budgets, Wages, and Public Servants by Rick Rowden, ActionAid**

During 13-15 March 2007, ActionAid International USA led a 3-day economic literacy training program for US-based NGOs working on health, education, and HIV/AIDS titled, “Getting More Doctors, Nurses and Teachers Hired in Developing Countries: An Introductory
Exploration of Alternative Macroeconomic Policies for Beginners." The training included presentations by Mark Weisbrot of the Center for Economic and Policy Research in Washington D.C., Andy Berg of International Monetary Fund (IMF), David Goldsbrough of the Center for Global Development, Rathin Roy of UNDP, Prof. Ilene Grabel of University of Denver, among others. The training explored to degree to which IMF macroeconomic policies may be unnecessarily constraining the sizes of national budgets of borrowing countries, and the impacts of such policies on the ability of countries to hire the numbers of doctors, nurses, and teachers projected to be needed to meet the Millennium Development Goals (MDGs). The training also highlighted possible alternative macroeconomic policies that could enable increased public spending while also safeguarding macroeconomic stability.

ActionAid's training is in response to concerns raised by many of its partner organizations in Africa, Asia, and Latin America about the problems with very low ceilings on the national "wage bills," or money for the wages of public sector employees. While ActionAid has in the past supported the work of local NGOs engaged in budget analysis and budget-tracking work, it has recognized the need to also begin educating civil society advocates on the impact of macroeconomic policies in their IMF loan programs on the sizes of their national budgets. While analyzing how the slices of the national "budget pie" are distributed, and tracking how that money is spent, continue to be of crucial importance, ActionAid believes that NGOs must also explore ways of making the national budget pies even bigger. Where IMF macroeconomic policies are unnecessarily restrictive, health, education, and HIV/AIDS advocates should challenge those policies and initiate public discussions about possible alternatives.

The US training was the first of several that are planned for 2007 and 2008. ActionAid hopes to encourage US NGOs to raise these issues with the US Treasury Department, which has immense leverage on the Executive Board of the IMF, and to engage with the US Congress, which has oversight of Treasury's actions at the IMF. This work is part of a 2 year Economic Literacy and Advocacy Project ("IMF Project") in Sierra Leone, Malawi, the U.S., and Kenya. For more information, contact Rick.Rowden@actionaid.org.


**Mexico City Workshop for CSBI Grantees**

In March the second annual exchange workshop for projects supported by the Civil Society Budget Initiative took place in Mexico City. Participants came from the NGO Forum on Cambodia, Haki Elimu (Tanzania), Poverty Action Network Ethiopia, Network of Ethiopian Women’s Association, Bandung Institute of Governance Studies (Indonesia), Civil Society Coalition for Quality Basic Education (Malawi), Omar Asghar Khan Development Foundation (Pakistan), and Centro Internacional para Investigaciones en Derechos Humanos (Guatemala). Four additional groups could not attend due to visa problems.

One goal of the workshop was to examine the kinds of research activities that are conducive to evidence-based budget advocacy. Groups analyzed a piece of research provided for this
exercise and then analyzed one of their own pieces of research, identifying its strengths and weaknesses.

In another section of the workshop, participants spent two days developing a comprehensive advocacy strategy for a piece of budget work in which they are currently engaged. Participants worked in country-specific teams, dealing with the challenges specific to their environment. The teams then met together to discuss the different ways in which they defined their objectives, crafted their messages, and handled specific problems.

Participants also conducted an exercise designed to provide practical tips on approaching and working with journalists, producing information that is media-relevant, and being interviewed. Most participants agreed that the exercise gave them valuable insights into how to work with journalists more effectively.

The culmination of the workshop was a series of presentations by each organization on its overall objectives, strategies, and current work. This activity built on the intensive peer-learning of the previous days and was structured according to a strategic vision of integral budget work that combined analysis and advocacy.

The workshop generated both excitement and trust among participants, helping create a sense that they belong to a community from which they can obtain useful feedback on their work. In addition, the accomplishments of the more established partners were inspiring to the newer partners (as well as to IBP staff). Participants’ candid discussions during the workshop about the issues they face should help lay the foundations for a future network.

For more information, contact Helena Hofbauer at helehahofbauer@gmail.com.

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**Tax Justice Network (TJN) Newsletter**

Tax Justice Focus is the newsletter of the Tax Justice Network, a civil society organization that opposes offshore secrecy, tax avoidance, tax evasion and tax competition. These issues are relevant for society and democracy in both poor and rich countries, and TJF seeks to address the lack of academic and other research into, and public awareness of, these issues around the world.

TJF publishes four editions each year in English, with a different theme for each, and it contains research on a number of themes. The last two editions focused respectively on tax competition and on inequality. The next edition, which will be published in early July, will focus on taxation and accountability.

To subscribe, contact info@taxjustice.net.

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**Weaving Global Networks: Book by CIPPEC Argentina**

*Weaving Global Networks*, a handbook on how civil society networks can help influence government, has been published by the Center for the Implementation of Public Policies
Promoting Equity and Growth (CIPPEC), a private, nonprofit organization that strives to create a more just, democratic, and efficient government in Argentina.

Written by Vanesa Weyrauch in collaboration with Inés Selvood, the handbook traces the development of regional and international networks and discusses the importance of these networks in shaping government policies. It also “seeks to offer some practical tools and guidelines that might help these networks enhance their impact through the use of evidence and knowledge in regional and global public policies and policy-making processes.”

Using four cases studies, the existing literature on networks, and interviews with practitioners, the authors examine the strengths and weaknesses of networks as well as the challenges networks frequently face, with special emphasis on Latin America.

To read the publication, go to: http://www.cippec.org/espanol/archivos/ingles_con_tapa.pdf.

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**New Materials in the Budget Library**

*Follow the Money, A Resource Book for Trainers on Public Expenditure Tracking in Tanzania*
By Hakikazi Catalyst, REPOA, and TGNP
This toolkit, published by the NGO Policy Forum in Tanzania, follows public funds disbursed by the central government as they pass through local governments and ultimately reach users such as schools and clinics. It also explains how a public expenditure tracking system operates and how it can benefit marginalized groups. Through such a system, local communities can track the inputs, outputs, and outcomes of particular government services, as well as determine the gender-specific distribution of benefits from those services. The toolkit is addressed to local governments, local councilors, CSOs, and journalists who have a basic understanding of how budgets work and are committed to good governance.

*Fostering Public Participation in Budget-making*
By Raza Ahmad and Erin Thébault Weiser/Asian Development Bank
This publication documents a pilot test of participatory budgeting at the local level in Indonesia, the Marshall Islands, and Pakistan. The pilot suggests that if local governments have the political will and technical resources, it is not difficult to promote civil society involvement in the budget process. Using simple, effective, and low-cost methods, local governments can promote transparency and openness in their decision making. The authors conclude that transparency is vital for good governance and leads to economic growth and poverty reduction in the long term.

*Study Trip on Participatory Budgeting to the Paris Region*
Governance International (GI)
This trip report describes the participatory budgeting practices of three local councils in the region of Paris: Issy-les-Moulineaux, Bobigny, and Saint-Denis. It compares three different ways of transferring the Porto Alegre model of participatory budgeting to a European context and the different approaches of organizing neighborhood councils and involving hard-to-reach groups such as young people.