Government Decentralization in the 21st Century
A LITERATURE REVIEW

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GOVERNMENT DECENTRALIZATION IN THE 21ST CENTURY
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**Introduction**

Decentralization is widely lauded as a key component of good governance and development. It is also broadly recognized as a process fraught with complexity and potential failure. This background paper offers a review of 33 scholarly papers, articles, and books on decentralization from 1956 to the present, with the majority of works (26) published since 2000. It includes research by the U.S. government, the World Bank, national and international think tanks, and a wide range of universities and scholars. An annotated bibliography is included at the end summarizing the reviewed works.

The implicit rationale for decentralization goes something like this. If a government can perform closer to the people it is meant to serve, the people will get more out of government and, in turn, will be more willing to accept that government’s authority. The rationale is compelling, and despite the potential pitfalls associated with implementation, most scholars agree that a decentralized system of government is more likely to result in enhanced efficiency and accountability than its centralized counterpart.

Still, disparities between the theoretical rationale for decentralization and what is actually gained in practice are gaping. Real-life efforts to decentralize across a range of contexts have failed for a variety of reasons, many of them difficult to measure. Therefore, much of the scholarly literature on the subject focuses on understanding what has failed and why and on hypothesizing potential improvements to implementation. To that end, the articles included in this literature review deconstruct particular aspects of the decentralization process in an attempt to identify their negative and positive outcomes. Much like one takes apart a clock to understand each mechanism

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1 This background paper was prepared as part of a research project on subnational governance and militancy in Afghanistan and Pakistan. This research would not have been possible without the generous support of the Ploughshares Fund, the Henry Luce Foundation, and the Carnegie Corporation of New York. The views expressed in this backgrounder are those of the author alone.

2 During the period from 1995 to 2005, 135 of 511 development policy operations approved by the World Bank listed at least one condition with a decentralization theme (Kaiser 2006).
within it, the decentralization literature can be characterized as a deductive effort that attempts to break apart and isolate the dynamics of a highly complex and ever changing whole.

If there is one takeaway from this review, it is that detailed empirical evidence about decentralization continues to be ambiguous and inconclusive. Even though each study offers a slightly clearer understanding of the different dimensions of decentralization, experts seem to be operating on hunches more than hard evidence and readily point out that the policymaking community knows much more about what has not worked in the past than on what is most likely to work in the future. Still, the research on the subject is thorough and earnest, undertaken for the most part by international economists and political scientists.

Findings of this literature review are summarized according to four areas: common definitions, expected outcomes, empirical challenges, and research agendas moving forward.

Common Definitions

Although there is great diversity in empirical decentralization, the basic theoretical definitions presented in the literature are surprisingly common. Decentralization is generally broken down into three different but related processes:

- **Deconcentration** is a process whereby the central government disperses responsibilities for certain services to regional branch offices without any transfer of authority. Many scholars do not consider this true decentralization, but the central government simply establishing field offices.

- **Delegation** refers to a situation in which the central government transfers responsibility for decisionmaking and administration of public functions to local governments. In this instance, local governments are not fully controlled by central governments but are accountable to them.

- **Devolution** happens when the central government transfers authority for decisionmaking, finance, and administrative management to quasi-autonomous units of local government. It would seem that the most recent literature considers devolution to be the purest or at least the most extensive form of decentralization.3

Types of decentralization are then further categorized as political, administrative, or fiscal:

- **Political decentralization** is generally defined as the extent to which political institutions track and collect citizen interests and turn them into policy decisions.

- **Administrative decentralization** concerns the ways in which political institutions turn policy decisions into allocative outcomes through fiscal and regulatory actions.

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3 These definitions reflect a combination of definitions found during the course of the literature review.
Fiscal decentralization regards the extent to which local entities collect taxes, undertake expenditures, and rectify imbalances.

Although political, administrative, and fiscal decentralization models are related, most articles focus on one of these frameworks, seeking to understand the dynamics of that particular aspect of decentralization and to build an evidence base that demonstrates its impact on other areas.

While this can seem somewhat disjointed even in theory, real problems of definition arise when looking at these various processes in practice. In many cases, it is difficult to measure the level of autonomy and capacity of a local entity and to make comparisons about its political, administrative, and fiscal status because, empirically, decentralization rarely exists in pure form. For example, a local entity may have fully devolved administrative authority without commensurate fiscal authority, leading to a mismatch of its decentralized capabilities. Moreover, different local entities (e.g., those that provide education, health, electricity, and sanitation) may be decentralized in different ways and to different degrees. In this case, observers require an intimate understanding of local institutions in order to define the type of decentralization at play.

Definitional problems are acknowledged in the literature, although few authors offer resolutions. Essentially, decentralization is about the quality of relationships between different tiers of government, something that is difficult to examine and measure over time, particularly when observing state institutions from the “outside.”

Expected Outcomes

The main objective of decentralization is to create the most efficient and accountable form of government possible. Decentralization is often introduced to offset a problem that has caused dissatisfaction with a centralized system. After a national crisis, such as a conflict or natural disaster, decentralization is often recommended as a tool to build or rebuild an effective government and ensure the efficient allocation of resources.

Decentralization is also viewed as an indispensable part of sustainable development efforts, particularly those focused on alleviating poverty. The operating assumption of decentralization efforts in these contexts is that local government, being closer to the people, has better information about local preferences and can be more targeted and equitable in its allocation of public goods and services.

Some of the more specific arguments in the literature that associate positive outcomes with decentralization are as follows:

- It can limit the size of the public sector.
- It has a negative effect on corruption.

4 Improved methodology for evaluating these intergovernmental relationships should form part of the forward-looking agenda and is described in greater detail in the coming section on this topic.
- It is more responsive to citizen preferences.
- It can limit conflict and protect minority rights.
- It forces intergovernmental competition.
- It results in the improved delivery of public services.

Arguments that associate negative outcomes with decentralization include:
- It does not limit the size of the public sector.
- It does not mitigate local-level corruption.
- It is inherently destabilizing (specifically when lower levels of government are expected to respond to the needs of ethnically or culturally heterogeneous populations).
- It is inefficient due to multiple intergovernmental transfers.
- It is associated with slower economic growth and lower foreign direct investment.
- It does not result in improved public service delivery (Sharma 2006).

What is important to consider when looking at expected outcomes of decentralization is that they are highly sensitive to distortion. In the lists above, some results are noted as both positive and negative outcomes, underscoring the ambiguous nature of empirical evidence and the multitude of variables at work in this complex process.

Studies show that corruption is consistently lessened by fiscal decentralization, particularly in countries with a legal origin of common rather than civil law, as civil law is more fixated on the constraints of federally appointed statutes and proffers less state and local authority (Fisman and Gatti 2000). And even then, it is unclear whether there is actually less corruption at lower levels of government or simply less oversight and reporting of it (Fisman and Gatti 2000; Kahkhonen and Lanyi 2001).

To illustrate further how and why empirical outcomes vary from what is anticipated in the theoretical literature, many scholars study nonlinear dynamics and double- and triple-loop consequences. These studies reveal how complex and sensitive governance processes are. Two studies from the literature review revealed particularly noteworthy results.

One study tracked the impact of political centralization on the potential successes or failures of fiscal decentralization. According to research conducted by Ruben Enikolopov and Ekaterina Zhuravskaya, decentralization affects economic growth, quality of government, and public goods provision in different ways depending on the strength of the national party system and whether local and state executives are appointed or elected (Enikolopov and Zhuravskaya 2007).

A second study that illustrates the complexity of the decentralization process comes from Daniel Treisman. Treisman’s quantitative analysis purports that when there are more tiers of government, decentralized entities will perform less well in delivering goods and services. Moreover, the smaller the jurisdictions of the lower, or first, tiers of government, the worse these entities will perform (Treisman 2000). Alex Dreher also cautions against too many tiers of government (Dreher 2006).
These findings seem counterintuitive to the overall objective of bringing government as close as possible to the people and illustrate the complexity of decentralization design and implementation.

**Empirical Challenges**

There are many challenges implicit in introducing decentralization processes in highly fragile environments. In a country recovering from conflict or disaster, for example, some of the theoretical assumptions about expected outcomes need to be supported by further empirical evidence if decentralization is to be effective in these situations. Some scholars argue that many theoretical assumptions about the process do not hold true in developing or transitional economies more broadly.

Scholars reviewed within this literature review presented the following findings about decentralization in post-conflict, disaster-affected, and development environments.

- **Post-conflict:** Richard Crook and William Fox study decentralization in the context of cultural pluralism and conflict. Crook explains in his work that while decentralization *can* mitigate conflict, it cannot do so when there are multiple heterogeneous groups under the jurisdiction of the first tier of government. It is also unlikely to alleviate conflict when the central government is using decentralization as a way to cut across different cultural units (Crook 2003). Fox contends that decentralization *lessens* conflict in places where decentralization increases the role of local elections, expands local expenditures, and increases employment; it *exacerbates* conflict when local taxes become high or where regional autonomy grows too much. The chance of conflict is also greater where the central government has limited control over security or where there is a high degree of dependency on natural resources (Fox 2007).

- **Post-disaster:** There is little documented evidence on the role of decentralization in disaster situations. That said, Kazi Iqbal and Meherun Ahmed recently authored a comparative analysis of 46 countries, presenting qualitative data about people affected by disaster and analyzing its relationship with governmental decentralization. Somewhat surprisingly—because decentralized capacities are so often lauded as a key component of effective disaster management (Ariyabandu and Nivaran 2006)—Iqbal and Ahmed found that more people were killed or affected by disasters in systems that were more decentralized than in those that were more centralized (Iqbal and Ahmed 2009).

- **Developing or transitional economies:** Finally, a couple of articles conclude that introducing decentralization in developing countries might not have the same results as one could expect in industrial or postindustrial settings. Jennie Litvack, Junaid Ahmad, and Richard Bird caution against decentralization in developing contexts, arguing that the three requirements for local accountability are not present in developing situations: voice or exit, rules of implementation, and oversight arrangements (Litvack at al. 1998). Kai Kaiser also points out in his work that the distributional impact of decentralization, particularly on the poor, cannot be considered a given in developing situations, but depends heavily on the
specific design and implementation of decentralization measures in a particular country (Kaiser 2006).

Beyond the question of the contexts in which theoretical propositions about decentralization do and do not apply, another empirical challenge is that there are simply too many variables involved in decentralization processes to be able to understand the relationships among them all. In theory, decentralization design should be comprehensive; however, in practice, this is rarely the case. Countries and international agencies often focus on fiscal (revenue sharing, property tax administration) or political (local elections) aspects of decentralization without understanding the interconnectedness of all dimensions and how they work together to capture benefits or offset potentially negative outcomes (Bahl and Martinez-Vazquez 2006).

Finally, because of political and economic constraints, decentralization is never a perfectly seamless process. Junaid Ahmad, Shantayanan Devarajan, Stuti Khemani, and Shekhar Shah write in a World Bank working paper:

But in reality, decentralization is a process, one that proceeds in fits and starts, occasionally with reversals. Furthermore, the way in which decentralization is carried out—the sequencing, the choice among different forms of decentralization, and how the politics is managed—can be just as important to service delivery as the decision to decentralize itself (Ahmad et al. 2005, 18).

Decentralization is often asymmetrical and can even be held back at mid-level government due to the lack of local capacity. However, according to some scholars, incomplete decentralization—due to the complex relationship between local absorptive capacity and additional fiscal resources granted by central levels (Kaiser 2006)—is even more dangerous than having a fully centralized system (Kahk honeen and Lanyi 2001; Bahl and Martinez-Vazquez 2006). The trick is to keep moving forward with progressive devolution, even asymmetrically at times, with a keen understanding of the institutions involved at all tiers of government and the quality of their relationships.

A Research Agenda for the Future

Based on this literature review, there are three areas worthy of further study regarding decentralization: subnational finance, process design, and disaster resilience.

Subnational Finance

The latest research places fiscal decentralization at the center of all other forms of decentralization. Fiscal decentralization directly affects the delivery of public goods and services, corruption, economic growth, and local capacity/authority. That being said, understanding the proper formula for subnational finance (e.g., the tailored combination of taxes, user fees, and grants or loans from the central government) is often difficult because good data on subnational finance is difficult to locate. Litvack, Ahmad, and Bird note that good subnational finance data does not exist because countries do not prioritize its collection, collecting such data is difficult, local structures are
complex and differentiated, and tracing fiscal flows is not easy. Research focused on finding better ways to collect and track this kind of information could be useful.

**Process Design**

Researchers could also study decentralization design. According to scholars such as Bahl and Martinez-Vazquez, optimal sequencing and design of decentralization is critical to success. Thoughtful design, including preconditions, can reduce costs and risks. It requires political will, discipline, and pragmatism (desirable sequencing is often too complex and demanding to be implemented on the ground). In particular, research on designing decentralization for post-conflict and post-disaster situations would be valuable.

Included in the study of process design should be an investigation into the development and application of methodologies for measuring success and failure. These methodologies should be easily accessible to and applicable for local government entities and other subnational institutions. At a minimum, this research could provide more systematic insights on the impact of decentralization and a more compelling body of evidence on its associated outcomes.

Research on government institutions, how they work together, and under what conditions could also be useful. The literature shows that the quality of relationships between central and subnational institutions is key to the success of decentralization. However, there is a lack of a standardized methodology to evaluate the quality of these relationships.

**Decentralization and Disaster Resilience**

Research on decentralization and disasters is in its infancy, yet it is an important entry point for examining a complex system. Because decentralization is often used as a tool in disaster recovery, it would seem to follow that the time- and geography-bound context of disasters in countries may be an excellent ecosystem in which to study the relationship between central and subnational units.
Annotated Bibliography

This listing briefly summarizes 33 scholarly papers, articles, and books on decentralization from 1956 to the present.


This paper focuses on the connection between decentralization and service delivery. Improving service delivery is an important motivation in decentralization efforts, but experience has been quite mixed. Problems include: lack of local capacity, misaligned responsibilities, increased political capture, and over-borrowing by local governments. The paper explains that the major determinants of success in decentralization are the rules and practices governing fiscal transfers, regulation, and expenditures between central and local policymakers.


This work is a PowerPoint presentation that talks about community-based disaster management as one means of looking at disaster response. It suggests that community-based actors (i.e., in a decentralized model) are de-facto first responders to disaster in a similar way that the state is the de-jure first responder. (The presentation suggests this is “by design” rather than “by default.”) Essentially, it seems to suggest that rather than let communities respond in an ad-hoc way, it is important to strengthen local disaster response capacities by tying them to the decentralization narrative, thus giving communities the opportunity to fund their respective training and resources.


This article considers the complex implementation of fiscal decentralization, arguing for its careful and well-sequenced design. In particular, the paper calls for decentralization preconditions, something that is rarely prioritized in empirical processes. The paper explains that decentralization does not necessarily need to be asymmetric, but that it must not stop at mid-level government. Lack of local government capacity is a frequent excuse for half-hearted decentralization, but a partially devolved system can cause more problems than a fully centralized system.

This paper presents a critical analysis of decentralization, and in particular, cautions against devolution of political decisionmaking power to local levels in developing countries. It argues that U.S. state and city governments in the context of developing and transitional economy situations can be even less responsible than their central counterpoints, underscoring the possibility of community failures and oppression by local powers, creating conditions more dangerous than even market or central government failures.


This paper explores decentralization through a comparative analysis of South Africa and Belgium. The focus of the paper is on the impacts of decentralization on education and the reasons for connection failures between intergovernmental entities and between local officials and their constituents.

http://books.google.com/books?id=_wraZ5HEMasC&printsec=frontcover&dq=Fiscal+Decentralization+in+Developing+Countries&hl=en&sa=X&ei=voxsT8Z5HEMasC期货 replicate&ved=0CDYQ6AEwAA#v=onepage&q=Fiscal%20Decentralization%20in%20Developing%20Countries&f=false

This is a book that presents 10 case studies of fiscal decentralization in different countries. What it seeks to demonstrate is that each decentralization process is different and unique to the particular history, culture, and political situation. It points out that fiscal decentralization generalizations cannot be lifted from one country and applied to another in the hope of attaining similar results. It also explains that in nearly all situations, local fiscal autonomy is difficult to attain. Local governments generally spend more than they can earn in taxes. Even within countries there are great variations in the level of tax earnings, specifically between cities and rural areas. (See, especially, pp. 1–37.)


This paper considers the ability to incentivize accountability at local levels through a model of fiscal decentralization that encourages discipline and honesty through intergovernmental competition.
http://books.google.com/books?id=MiSiBRRd172IC&pg=PA240&lpg=PA240&dq=decentralization+and+good+governance+crook&source=bl&ots=B06iD1Thzn&sig=MtQd2pxEilb150LOyn2seh13rM&hl=en&sa=X&ei=7v9hT93JJqnm0QHfu6GaCA&ved=0CEkQ6AEwAw#v=onepage&q=decentralization%20and%20good%20governance%20crook&f=false.

This paper discusses the role of decentralization in mitigating conflict between heterogeneous groups at local levels. It also cautions against the use of decentralization by central governments to cut across and demobilize cultural units that are perceived as threatening. Decentralization under these conditions is often combined with central funding and control mechanisms that permit centrally-focused patronage linkages. Author argues that elite capture will occur unless there is strong support from the central authorities themselves to prevent it happening.


The paper considers a number of elements required for democratic decentralization to work. It argues that elected bodies at lower levels must have substantial powers and resources (financial and administrative), and strong accountability mechanisms must be created to hold bureaucrats accountable to elected representatives and elected representatives accountable to citizens. The paper talks at length about the role of local revenues, noting that local tax systems are generally inefficient and subject to capture, particularly in rural environments.


This paper presents a quantitative analysis of decentralization processes in low-income and middle- to high-income countries. Results show that decentralization can improve governance when it forces people in political office to compete. However, if there are too many tiers of government, decentralization can cause coordination problems and prevent reforms. Interestingly, the paper also notes that decentralization is actually associated with lower foreign direct investment.


This paper argues that the effects of decentralization on economic growth, governance, and public service delivery depend on two aspects of political centralization: (1) strength of national fractionalization party system (measured by age of main parties and of government) and (2)
central to local subordination (in particular, whether local and state executives are appointed or elected).

http://www.jstor.org/pss/3331060.

This paper makes a comparative analysis of fiscal decentralization in 17 different Latin American countries. As is noted in other literature, this paper focuses specifically on fiscal decentralization, as this is considered critical to the success of subnational governance models seeking to serve constituents in the most efficient and equitable manner.


This paper looks specifically at what kinds of fiscal decentralization, for exactly what services, has the most impact. In particular, the focus is on an institutional design of decentralization that mitigates the possibility of local corruption, termed “rent extraction by private parties.” This paper uses a statistical formula as a basic specification of the expected success of decentralization models and finds fiscal decentralization to be strongly associated with lower corruption.


This piece of work is actually a literature review of decentralization and corruption. It concludes that the literature is inconclusive but does show that the most promising models of fiscal decentralization include a combination of local taxes, user fees, and central government grants. This is confirmed in other literature as well.


This paper is the most detailed in the literature review as relates to decentralization in post-conflict environments. The paper asserts that decentralization is important in post-conflict environments because it can protect the rights of minorities and, hence, potentially mitigate conflict. That said, it is not clear from the paper that the challenges of decentralization in post-conflict environments vary greatly from a developing economy situation.

This paper studies the effect of fiscal and political decentralization on the number of fatalities / number of disaster-affected persons in 46 developing and transitional economies struck by natural disaster. The paper concludes that there are slightly more people killed/affected in decentralized systems. This is one of the few statistical studies that connects the issue of decentralization with disaster management and, in a sense, debunks the myth that decentralization is more efficient at mitigating disaster.


This article discusses the mixed reviews of decentralization processes up to this point. It suggests that the institutional framework for implementing decentralization is in fact more important than decentralization itself. Effective decentralization requires local governments to combine sufficient levels of authority with greater financial oversight.


This paper discusses the difference between theoretical expectations and practical experiences explaining that the impact of decentralization, particularly on the poor, ultimately depends on its design and country context. The author explains that in the 1980s and 1990s, the focus in places like Africa was on political decentralization without accompanying fiscal and administrative decentralization. The focus has now changed dramatically. However, fiscal decentralization stumbles on the complex relationship between local absorptive capacity and additional fiscal resources actually granted by central levels (chicken and egg debate). The author focuses on the nature of central/subnational relations. What happens at the nexus of the tiers is key.


This paper is an index that measures decentralization—the assignment of fiscal, political, and administrative responsibilities to lower levels of government—for 49 countries at five-year intervals from 1960 to 1995. It comprises nine dimensions designed to capture decentralization’s functional complexity to give countries a decentralization “score.”

This paper highlights the disconnect between theoretical and practical applications of decentralization. It notes that theoretical literature points to three things required for local governance accountability that generally do not exist in developing countries. These are: (1) voice or exit; (2) rules of implementation; and (3) oversight arrangements within government. Further, it points out that variable institutional settings and local finance autonomy are both key to the success of decentralization. However, very little data on either of these issues generally exists in developing countries.


This piece is interesting because it talks about the need to build the self-monitoring and self-evaluating capacities of local entities themselves, an area identified by other scholars as an area of weakness. That said, it fails to demonstrate how such a monitoring system would be set up and how it would be sold to donors as a tool to build greater understanding about effective subnational governance. Case studies include countries of West Africa.


This paper (funded by DFID) examines the role of community development councils in strengthening subnational governance and supporting international development goals’ state-building objectives in Afghanistan. This paper is interesting because it considers the establishment of local entities by the international community as a means to improve on its investment. It is very specific to Afghanistan and offers fewer general lessons than other studies. Still, it is very useful as a contemporary, empirical study.


This paper highlights the complexity of implementing development programming through decentralization. It underscores the fundamental mismatch between expectations and actual capacities of governments to implement even the most routine administrative tasks in current development practice. It discusses at length the idea of “isomorphic mimicry,” which is a
mechanism for avoiding needed reform while maintaining the appearance of legitimate engagement with development discourse.


This article highlights some of the dangers of pure decentralization absent central government transfers. In that sense, it is a theoretical vs. empirical analysis of fiscal decentralization. It is considered, together with Tanzi’s work, to be central to the modern fiscal decentralization debate.


Few have written on decentralization as it relates to disaster. This article suggests that disaster management has become a preemptive—rather than simply responsive—art and that there is a larger role for decentralized actors in these processes. Local action hastens response time and ensures that responses are more accurately contextualized and sustainable. Local actors, for example, have a keen understanding of the layout of the community, safe and dangerous areas, and specific circumstances that must be accounted for in building an effective response. It goes on to outline the types of training and resources necessary to make the local partner most useful in disaster preparedness and response.


This paper looks carefully at different models of local governance, their failures, and how to correct them. It takes a historical and case study approach, studying local governance models in Western Europe and beyond before the rise of the nation-state. It also makes a comparative analysis of expenditure models in so-called decentralized and centralized systems.


A basic primer article on decentralization, this paper essentially seeks to clarify that the challenge of defining decentralization stems largely from the diversity in its application worldwide. It suggests that decentralization means different things in different contexts and thus looks unique in each contextual application. In fact, a common approach to decentralization is almost impossible due to the fact that its feasibility is always dependent on several local factors and arrangements. Furthermore, it notes that different actors try different
types of decentralization and thus show different outcomes, but methods and tools of decentralization also have different effects in different places. Evaluating decentralization requires a context-specific attempt to gauge whether decentralization takes a comprehensive approach.


http://books.google.com/books?id=oQ2a0R9IM4C&printsec=frontcover&dq=%22Decentralised+Government+in+an+Integrating+World%22&source=bl&ots=LYnIHkmjnc&sig=hwTwy4V8DxpiIKNWKfhdUw72vU&hl=en&ei=uwSmTbD6f4v2gAevLzPCQ&sa=X&oi=book_result&ct=result&resnum=1&ved=0CBQQ6AEwAA#v=onepage&q&f=false.

This book studies the import of fiscal decentralization in particular, an area of decentralization highly in vogue. While the study is useful in its analysis of definitions and measuring techniques, it is less accessible and therefore not as useful in a general literature review or scoping exercise about the subject matter.


Tanzi is considered a stand-out critic of the proponents of fiscal decentralization. He, together with the more historical Tiebout and Prud’homme, are considered fundamental reads in terms of the relative pros and cons of fiscal decentralization. Much of the literature on the subject departs from their three points of view.


This article is considered the groundbreaking work on fiscal decentralization and is the basis on which all scholars begin in their own investigations of fiscal decentralization models. (See also above notes on Tanzi.) Remy Prud’homme’s work in the 1990s is also considered indispensable reading on the subject.


This paper argues that the vogue for decentralization should not be pushed too far, particularly in developing countries. Data is generally contradictory but would seem to suggest that in developing countries, the highest quality governments tend to occur in less populous countries with unitary states, fewer tiers of government and relatively large first tier units, a single centralized police force, and a central legislature without regional veto power.

This is a programming handbook that focuses primarily on decentralization as means to democratic reform. As such, its concentration is on political as opposed to fiscal or administrative reform. It is an interesting read as it spells out U.S. goals (particularly the objectives of the Office of Democracy and Governance) in this area of foreign policy.


This paper offers guidelines for improving the political, fiscal, and administrative institutions of decentralization, arguing that the design of these institutions is critical to the success or failure of decentralization based on its goals of improving political stability, public service performance, equity, and macroeconomic stability.
About the Author

**Stacey White** is a senior research consultant with the CSIS Program on Crisis, Conflict, and Cooperation (C3), where she focuses on the intersections between natural disaster risk management and governance. In particular, she considers the effects of disaster risk on intra- and inter-state governance dynamics and in creating broader social, economic, and political change. She is currently studying the influence of natural disasters on decentralization processes across a number of crisis settings. She also recently completed projects on the impact of the Pakistani floods on subnational governance in the country and on the role of disaster risk management in promoting regionalism in Asia.

Prior to her work at CSIS, White served as a senior researcher for the Humanitarian Futures Programme (HFP) at King’s College London, where she concentrated on the future of humanitarianism, crisis driver identification, and organizational strategic development for the future. Over the course of her career, she has worked with a number of different UN agencies and nongovernmental organizations in the area of humanitarian action with a focus on coordination, knowledge management, and sector-wide learning. First-hand humanitarian experience includes time in the former Yugoslavia, Rwanda, Burundi, Sri Lanka, and Tajikistan. She received an LLM in international human rights law from the University of Essex, an MA in international relations from the University of Chicago, and a BA from the University of California at Berkeley.
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