Political Analysis of Decentralization:
Capturing the Stakeholder Perspective
Lessons from the Bangladesh Study

I. INTRODUCTION

The objective of this note is to provide guidance to World Bank task teams engaged in supporting decentralization reform on useful approaches to understanding the broader political dynamics which may affect their operations and dialogue. It does this by synthesizing lessons from an analysis of the political economy of decentralization in Bangladesh, which was carried out to support World Bank operational engagement.¹

A. Why Political Analysis Matters For the Design of Decentralization Programs

Decentralization reform that strengthens local government has increasingly gained prominence in recent decades, the underlying assumption being that local governance is a key element of building a robust and accountable democracy. However, despite the positive connotations associated with decentralization reform and the widespread support from policy makers, international financial institutions, academics, and civil society advocacy groups, decentralization and local governance reforms are often derailed by the political resistance of key stakeholders. Therefore it is vital to understand opposing views and the political constraints and opportunities decentralization advocates face when pursuing reforms. This note documents and draws lessons from an exercise in assessing the political economy of decentralization in Bangladesh which set out to capture the diverse stakeholder perspectives, and to understand and analyze their interests. This experience demonstrates that political analysis can help to achieve several objectives which would support the effective design and execution of decentralization policies and programs:

- Identification of the political roadblocks to reform: the reasons for resistance and opposition, and the disincentives for support;
- Identification of the political support for reform: the rationale and motivation for support;
- Increased information to help build effective and responsive reforms: incorporation of local knowledge, local demands and local needs;
- Setting up a transparent feedback mechanism (before, during, and after reform): allows for continuous identification and incorporation of stakeholder concerns with an aim to ensure that reforms take them into account.

¹ For details, refer to the study, Decentralization and Local Governance in Bangladesh: An Analysis of Stakeholder Perspectives, Social Development Department, The World Bank, November 2007.
B. Political Analysis of Decentralization Reform: Learning from the Bangladesh Experience

The World Bank is providing technical assistance through the Local Governance Support Project (LGSP) in Bangladesh. This program of lending and technical assistance supports an incremental process of strengthening local governance in Bangladesh, starting with the lowest tier of rural local governance, the Union Parishad (UP). More recently, the caretaker government has taken initial steps to move forward with strengthening Upazila and urban local governments. However, there is limited examination of the politics of reforms at these levels. To fill this gap, the Social Development Department (SDV) led a political analysis of stakeholder study, Decentralization and Local Governance in Bangladesh: An Analysis of Stakeholder Perspectives, to contribute to Bangladesh's Local Governance Support Project. The study captured the different stakeholder perspectives on decentralization to acquire a better understanding of the political dynamics of decentralization reform at the Upazila (UPZ) level in Bangladesh. The broader objective of this political analysis study was to improve the effectiveness of Bangladesh's decentralization reforms by (i) capturing and evaluating the sources of political resistance and support to reform, and (ii) contributing to dialogue amongst both the detractors and supporters of the policy change(s).

C. Bangladesh: History and Politics of Decentralization Reform

Bangladesh has attempted to implement decentralization reforms to promote and strengthen local governance on many occasions over the past three decades (see Box 1). Reform has, however, faced both open and tacit opposition. The first major initiative involved the reorganization of the local government system in 1982 and lasted only eight years (1983-1991). Since 1991, several attempts made to improve local government in Bangladesh have encountered political resistance from those vested in maintaining the status quo and those questioning the assumption that decentralization reform is necessarily “good” and effective in the Bangladesh context.

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**Box 1: Brief Background on Local Governance Reforms in Bangladesh**

At present, Bangladesh has a unitary form of government, and the central government deals directly with the local governments. The levels of local government link closely with the administrative tiers. For administrative purposes, the country is divided into 6 divisions, 64 districts, 481 Upazila (sub-district), and 4,498 unions. There are two types of local government institutions (LGI) at the rural and urban levels. Among elected LGI, there are 6 City Corporations and 307 Pourasabhas (municipality) in urban areas and 4498 Union Parishads in rural areas. About 65,000 elected functionaries (Mayors, Chairpersons, Ward Commissioners, and Members) lead and manage these institutions. About one-third of the functionaries are women, who are directly elected, as a result of the Local Government Act 1998, which reserves 30% of seats for women.

Article 11 of the Bangladesh Constitution sets the fundamental framework of decentralization stating that "The Republic shall be a democracy in which effective participation by the people through their elected representatives in administration at all levels shall be ensured." Since independence in 1971, several attempts have been made to improve local government in Bangladesh, but they continued to be managed and controlled by the central government administrative structures. The first major attempt for decentralized political governance and local government system was initiated through the District Governor system by the District Administration Act of 1975. The District Governor's system was discarded soon after the coup of 1975. Subsequently the Martial Law Government introduced Local Government Ordinance of 1976. The divisional councils were abolished and a three-tier local government system, i.e., union parishad, thana parishad and zila parishad (a district-based local body) was constituted.

In March 1982, the Martial Law Government constituted a Committee for Administrative Reorganization/Reform (CARR). The committee, among others, observed a "weak local government system tendered weaker by lack of appropriate political direction." Subsequently, a massive reorganization of the local government system in Bangladesh took place in 1982 and 1983. Amongst these reforms, the institutional setup of the Upazilla Parishad was introduced, the Upazilla Parishads were delegated with power to plan and execute their own development projects, and were provided with an elected chairman. This was the first time...
in the history of Bangladesh administration that an elected office replaced the central bureaucracy at the Upazila level.

Upazila was abolished by the BNP government soon after assuming power in 1991. The BNP government’s main accusation was that the Upazila was an expensive ‘political experimentation’ and accused the previous ‘autocratic regime’ for using the Upazila administrative to set up ‘a political base of its own at the grass root level in order to strengthen its grip over the country side’. At the same time, members of the opposition parties in the national parliament have seen the abolition of Upazila as a “politically motivated” action taken by the BNP government. The main opposition party, the Awami League, noted that “the dissolution of the Upazila Parishad was part of government’s plan to politicize all tiers of the administration.” In 1996 the Awami League as the ruling party made some limited reforms. They appointed a commission to reorganize the local government system of the country. The commission suggested a permanent local government commission independent of executive control and a four-tier local government: gram parishad, union parishad, thana parishad and zilla parishad.

In general, from the early 1990s to mid 2005, political parties in power did not take any significant move to enhance or accelerate the decentralization process, in spite of commitments made in their respective election manifestos. The introduction of Gram Sarkar and inception of direct block grant system under the LGSP sponsored by the World Bank in late 2006 are the only significant developments in local government.

As a consequence, LGIs have not had an opportunity to act as legitimate tiers of elected governments and functioning organizations, with mandates and funds to carry out their roles and responsibilities. Although several attempts have been made to improve local government in Bangladesh, they continue to be managed and controlled by the central government administrative structures. Bangladesh has not been successful in establishing a decentralized system of governance and accountability. A World Bank review of decentralization process in 19 countries ranks Bangladesh, along with a few other countries, lowest in the extent of decentralization reforms.\(^2\)

The national election of 2007 was postponed and national emergency was declared on January 11, 2007, after major opposition parties boycotted the elections. A Caretaker Government (CTG), consisting of a chief advisor and council of ten advisors was established. The CTG has established a committee for strengthening local government institutes responsible for drafting recommendations for an effective local governance system. Civil society representatives have expressed support for an effective local governance system, especially elections; and fiscal and administrative devolution of power to UPZ. At the time of writing this note, the Awami League and its allies had won a two-third majority in the parliamentary elections held in late December.

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At the present time, there appears to be widespread grassroots support for decentralization reform and an awareness that strengthening of local government would be in the interest of the country. However, to ensure that the current efforts at strengthening decentralization reforms at the Upazila level are successful, it is crucial to understand the divergent perspectives, especially those that continue to present political resistance to reform either overtly or implicitly. The study, Decentralization and Local Governance in Bangladesh: An Analysis of Stakeholder Perspectives on which this note is based attempts to capture and examine the views of both supporters and opponents of the Upazila reform. The findings of this study (see Box 2 for summary) have become increasingly relevant since Upazila elections have been announced for 24 and 28 December, 2008.

Box 2: Key Summary Findings: Political Analysis of Bangladesh Decentralization Reforms

- The study found unexpected advocates of reform amongst Upazila Nirbahi Officers (UNO) and UP chairmen: Contrary to existing research on decentralization in Bangladesh, UNOs and UP chairmen are more likely to support current decentralization reforms. Although UNOs were initially resistant to working with elected chairmen of the UPZs, their bitter experience of working with MPs since 1991 has convinced many of them that an elected Upazila chairman is a more attractive alternative. Our analysis also revealed that UP chairmen now support UPZ reforms since the implementation of such local governance reforms would increase overall revenue and public support for all tiers of local government.

- Several measures that may contribute to success (and efficiency) of current reforms were identified: Examples of such measures are: (1) establish clear association between decentralization reforms and strengthening of democracy; (2) emphasize link between successful reforms and increased international legitimacy of current regime; (3) establish a clear division of labor between the UNO and UPZ chairman and provide adequate training so that each of them is aware of their responsibilities and do not feel threatened; and, (4) support for independent audit agencies to help tackle corruption and oversee implementation of reforms.

- Timing of reforms is key: The general sentiment is that UPZ elections should be held prior to national elections. UPZ elections would galvanize the pro-UPZ reform constituencies which would be difficult to reverse. However UPZ elections are now scheduled to take place immediately after national elections in December.

- Suggestions on how to overcome Members of Parliament (MP) and (some) bureaucrat resistance to reform were developed: These include (1) higher honorarium to MPs as an incentive to resist “petty moneymaking businesses”; (2) Upazila chairmen should be provided with sufficient logistic support (office, cars, employees) to avoid conflict with UNO over resources; (3) better trained UPZ chairmen who are aware of their responsibilities and extent of authority would not only strengthen the legitimacy and effectiveness of local governance institutions, but also improve their relations with UNOs.

- Indications that the current round of reforms may be more sustainable than previous attempts: The majority of respondents reported that ‘times have changed’ and there is greater local awareness and general support for local governance reforms. Most fundamentally, Bangladesh’s historical experience with local governance has created popular awareness and support, even if not formal or organized, for the existence of such institutions.

II. THE PROCESS OF THE BANGLADESH STUDY

In order to contribute to increased understanding of the different positions on decentralization and to help identify appropriate actions to support the decentralization agenda, the political analysis of local governance reform study aimed to capture and assess the narratives and perspectives of key stakeholders towards decentralization reform in Bangladesh. The task team for the study consisted of Bank staff and local consultants. The study was conducted in five stages discussed below. Desk-studies and fieldwork with support from local experts were the primary means of data collection and analysis. The study also drew from the political analysis and political economy literature and operational frameworks such as conflict analysis and stakeholder analysis.
Stage One: Desk research
The first stage of the study involved identifying potential stakeholders who would affect and be affected by local governance reform. This was a critical step since it set the parameters of the study: who were the main players; what were their positions; and how might these positions be addressed so as to ensure support for reform. Some stakeholders clearly had greater vested interests in stronger and more effective local governance while others were equally vested in undermining reform. The four broad categories of stakeholders identified for further investigation were: the military, the bureaucracy, the political parties, local government leaders and local civil society. The aim was to capture the different voices both within and across stakeholder groups.

This stage also involved extensive background research on Bangladesh’s political system as well as academic investigation on political economy of decentralization reform in the country. It included data collection on Bangladesh’s political system and its political history, understanding of current political tensions and analysis of previous (failed) decentralization efforts in the country. The aim was to use past experience to appreciate the history and motives for stakeholder support and resistance.

The country’s experience with decentralization reform, understanding of stakeholders dynamics, and the political economy and decentralization literature were used to design an overall analytical framework to guide the study, develop preliminary hypotheses on the resistance and support for decentralization, and prepare a questionnaire for each of the (four) key stakeholder categories considered important to the decentralization agenda. Although a set of carefully tailored questions were prepared for examination of the key stakeholders, efforts were made to ensure consistency across the questionnaires to facilitate comparisons and contrasts between the stakeholder groups.

Stage Two: Integrating local counterparts
The next stage involved building a team of local counterparts with the right skill mix for the study. More specifically, the Bank team with guidance from colleagues familiar with the policy and academic circles in Bangladesh engaged consultants who had (i) the appropriate academic background to analyze decentralization reforms (mainly political science, sociology, economics); (ii) in-depth understandings of specific stakeholders; and, (iii) previous experience with decentralization efforts, i.e. policy analysis and previous research in the subject area.

The local consultants were each responsible for a study report on the political analysis of stakeholder perspectives - focusing on one of the four identified stakeholder categories. To provide deeper understanding of the stakeholder’s position on decentralization reform, each stakeholder study report was expected to capture the stakeholder’s general views on decentralization, assess the past experience of the stakeholder with decentralization reform, analyze the stakeholder’s perspectives on the CTG’s decisions on local governance and offer predictions on future sustainability of reforms, and learn how the stakeholder believed UPZ effectiveness and local accountability could be strengthened.

In preparation, the Bank team shared TORs and outlined roles, responsibilities and expectations with them. Once on board, extensive discussions with the Bank team generated familiarity with each consultant’s strengths and predispositions towards decentralization, which was particularly useful for the overall report.

Stage Three: Fieldwork, testing hypothesis
At the third stage, the Bank team undertook a scoping mission to test the hypotheses and to provide the go-ahead to local counterparts responsible for the political analysis of stakeholder perspective studies. Prior to the onset of stakeholder political analyses, the Bank team and local counterparts finalized arrangements on how the study would be carried out; discussed the framework for analysis, refined the preliminary hypotheses, and modified the individual questionnaires to better reflect the local context and local actors.
Several meetings with local counterparts – both individually and as a group – were held after they began their political analysis. In these meetings, challenges and political sensitivities were reviewed, hypotheses discussed, the balance between desk and field research evaluated, changes based on local experience incorporated into questionnaires, and the framework for analysis consolidated. It was agreed that the analytical framework would: (i) assess perceptions of stakeholder attitudes to decentralization in general; (ii) focus on resistance to and support of the roles and functioning of UPZ; and, (iii) identify specific measures – according to the perspective of each stakeholder - that are likely to increase support for reforms.

Stage Four: Writing study reports
The fourth stage involved the preparation of the perspective study reports. The Bank team and the local counterparts agreed to investigate the preliminary hypotheses as well as develop new hypotheses if fieldwork pointed to them as important. Since the Bank team had independently conducted fieldwork and interviewed key stakeholders, it was possible for team members to develop independent insights and to compare findings with those of the local counterparts, i.e. positions as understood by the Bank team “ourselves” (with outsider experience and knowledge of decentralization reforms) and local counterparts (with insider experience and knowledge of reforms).

Stage Five: Synthesis report
At the final stage, the Bank team prepared a synthesis report that presented the key findings and proposed guidelines to support the decentralization process. In Bangladesh, this report drew on the Bank team's desk and field research, and the four political analyses of stakeholder reports prepared by local counterparts. The report has increased understanding of the political dynamics of Upazila reforms based on the views of both supportive and apprehensive stakeholders. It has contributed to the ongoing debate in the country on decentralization and local governance, and increased the World Bank’s knowledge base on the (local) politics associated with Upazila reforms.

III. Understanding Stakeholder Perspectives on Decentralization – Results of the Bangladesh Study
At the outset, the study report presented a discussion of Bangladesh’s political landscape and its experience with decentralization. This was important as it set the context within which the study was conducted. The study focused on four sets of findings. First, the main stakeholders supportive of and against reform were identified. Second, the views of the different stakeholders were presented, with a special emphasis on commonalities and the areas of differences. Third, the probability of success, i.e. obstacles and opportunities, of local governance reforms were discussed. In the final section, future policy considerations were outlined.

A. Identifying the Key Stakeholders
Based on discussions with Bank staff engaged in operations in Bangladesh, local experts and a review of the history of the decentralization reform process, the Bank team was able to identify the key stakeholders relevant for examining the prospects of local governance reforms. These stakeholders were: (1) national-level politicians, mainly from the two major parties Awami League (AL) and Bangladesh National Party (BNP), national level leaders, and senior and mid level members of local party hierarchies (District, Thana and Union); (2) the military, including senior ranking officers of the army, air and navy; (3) the bureaucracy both at local and central levels including former cabinet secretaries, field-level sub-unit officials of line ministries (e.g., education, agriculture, livestock, accounts, local government, engineering etc.); (4) local level politicians including Upazila and UP chairs, UP male and female members, secretaries and UP association leaders chairmen of UNO; and, (5) civil society including school and college teachers, retired principals, journalists, lawyers, NGO representatives, freedom fighters, social workers, farmers, small traders, shop owners. It is important to emphasize that a stakeholder group did not respond as a monolith, i.e. all stakeholders in a group did not hold similar views and these
variations were taken into account during the interviews, analysis, and findings process.

B. Understanding Apprehension and Support for Local Governance Reforms.

The research revealed the following key areas of stakeholder perceptions:

Overall support for local governance reforms: The stakeholders voiced strong overall support for the principle of local governance. However, the level of support was uneven when they were asked detailed questions about the reforms themselves, especially when the discussion referred to how the reforms would affect them. Stakeholders such as the Members of Parliament (irrespective of the political party they belonged to) and bureaucrats were clearly apprehensive that their powers would be weakened by a new political landscape in Bangladesh, which promises a stronger and more democratic local government.

Assessments of past UPZ performance: A majority of stakeholders felt that previous efforts at decentralization had failed because of weak political commitments, resistance by local government chairmen (UP chairmen), MPs and bureaucrats, lack of transparency in fund allocation, high fiscal and administrative constraints, increased corruption, and inefficient use of public funds.

Trajectory of current local governance reforms (potential for success): Given popular support for local governance, the sentiment amongst all stakeholders was that ignoring local governance issues had high political costs. Since civilians are now better informed about the potential and capabilities of local governance, the reforms were more likely to get through the political process and, in contrast to previous experiences, the reforms themselves would likely be successful in the long-run.

To be operationally effective this time around however, the consensus was that two fundamental areas need to be reformed:

- The functions, roles and responsibilities of both the political players (e.g., UNO vs. UPZ chair) and institutions (UPZ vs. UP vs. ZP) should be clearly established, articulated and enforced.
- A clear divide between central government and local government should be maintained, with more administrative and fiscal authority granted to the latter relative to the past.

Relationship between UPZ and other levels of government: The majority stakeholders viewed the UPZ as an important local governance institution but were skeptical about the prospects of the Gram Sarkar (GS). The political parties, civil society, bureaucrats, and local governance activists were particularly critical of the governance role of GS. Their main concerns were that the GS was not democratic as it was formed through a selection process rather than regular elections; it was seen as a ‘political platform’ of the ruling party that had led to corrupt local leaders and powerbrokers that had ‘captured’ the institution for political patronage purposes.

Aside from junior bureaucrats and political party representatives, the remaining stakeholders supported a three tier system consisting of the Zilla Parishad (ZP, or districts), the Union Parishad, UP (lowest unit of local governance) and UPZ. They envisioned a ZP that oversaw and coordinated the functions of the UPZ and UP, while maintaining its own specific functions, authority and finances. In their opinion, the main role of the ZP should be to monitor and review UPZ performance.

C. Probability of Reform Success

Drawing from the Bank team’s desk and field research and the findings in the four stakeholder political analysis study reports, the likelihood of success of local governance reforms were analyzed. Findings on both obstacles and opportunities to reform are discussed below.

Analysis of Primary Obstacles to Reform

- MP and bureaucratic resistance will be difficult but not impossible to overcome. Both MPs and bureaucrats voiced support for reforms, but in reality,

3 GS or Gram Parishad is governing unit at the village level.
genuine support for the reform was limited as it threatened their powers. However, the political analysis revealed that bureaucrats’ views were more diverse than commonly assumed. For example, several UNOs were relatively more supportive of decentralization because of the tensions they experienced in working with MPs. They were therefore more accepting of changes to the status quo, i.e., working with an elected upazila chairman instead of a MP is a key proposal of the decentralization reforms.

- No clear advocates for reform. Interviews revealed that formal, organized support for local governance reform either from the bottom-up or top-down was conspicuously absent in Bangladesh. While all groups recognized that reforms would generate popular support once undertaken, it was unclear who would spearhead and agitate for reform. It seemed that civil society was weak and divided, while none of those with policy-making influence at the central level (e.g., military, MPs) had sufficient incentive to organize in favor of reform.

- Sustainability of reforms is questionable. Stakeholder responses revealed obvious tensions between upholding principles of democracy and supporting local governance reforms implemented by the caretaker government (CTG). Given that the CTG was not elected, it was both unclear if the reforms were legitimate and if they would be overturned as had been done in the past. The political analysis consequently highlighted the potential tensions (i.e., the question of legitimacy) between CTG initiatives and decentralization reforms.

Analysis of Primary Opportunities for Reform

- Opportunity for reform is “now”. At the time the study was conducted in 2007, a majority believed that the CTG was in an ideal position to push through reforms. The reasons for this were: (1) the CTG could overcome political resistance from MPs and bureaucrats; (2) no other clear advocates of reform; and, (3) national political parties were in a state of disarray and would thus provide minimal resistance. After the upcoming elections, the CTG would no longer exist; the fact that it did not push through reforms may be seen as a missed opportunity.

- Populace views strong association between decentralization and democracy. The principle of local governance was well-supported by all stakeholders because of its association with democracy. It was generally accepted that decentralized local governments provided the opportunity for regular feedback from citizens, not only through elections but also through frequent face to face interactions between local communities and their elected members. The political analysis thus underscored a useful tool for advocates of decentralization.

- Clear link between decentralization and international legitimacy. Stakeholder responses suggested that the success of local governance reforms was likely to improve international approval of Bangladesh’s government, which has been in question due to the military taking over power. Thus civil society organizations could use this finding to lobby for reform.

- UP chairmen now support UPZ elections. Despite historical tensions, UP chairs interviewed were unequivocal in their support of UPZ chairs. They were confident that the implementation of local governance reforms would increase overall revenue and public support for all tiers of local government. This was a marked departure from previous studies that consistently found UP chairs resistant to reform and considered them the major reason for the failure of decentralization reform under General Ershad’s rule.
Increased civil society debates and discussions on value of local governance. The majority of respondents strongly believed that ‘times have changed’ with respect to local awareness and general support for local governance reforms. This key finding of the political analysis would be useful for discussions on decentralization and overcoming political resistance.

D. Policy Considerations

The study provided guidance to the process of policy reform in a range of key areas, discussed below, including timing, incentive, and building popular support.

Timing of Reforms and Elections

Stakeholders including donors, local academics, NGO representatives suggested that it was in the best interest of the country for the CTG to not only implement reforms “now”, but to continue playing a key role, i.e. stay in power, until reforms became well-institutionalized. This is a counterintuitive finding since there has been international consternation regarding the persistence of the CTG. Several stakeholder groups argued that it was preferable for the UPZ elections to be held prior to national elections. Interviews with national and local politicians suggested that the CTG would get the least resistance from the political parties if it both took the initiative to reform UPZ and scheduled UPZ elections before the parliamentary elections. Sequencing was thus an important factor in overcoming political resistance. While future events will demonstrate the sustainability of the reforms, the CTG announced on 20 September that national parliamentary elections would be held on 18 December 2008 with Upazila elections on 24 and 28 December 2008. Thus it the UPZ elections would not be held prior to the national elections and the CTG would not be responsible for the implementation of the planned reforms.

Aligning Incentives to Support Reform

Findings showed that MPs and bureaucrats, potentially the strongest opponents of reform, needed incentives to support local governance. It was not only their political support that was instrumental to successful consolidation of reforms, but their cooperation was also necessary to implement the reforms, i.e. “making them work.” Interviewees suggested several options that could address the lack of support of MPs and bureaucrats, such as capacity-building training to enhance their skills and understanding of government regulations and procedures, career advancement opportunities, clear division and articulation of responsibilities, higher honorariums to MPs so as to prevent corrupt practices etc.

Another key issue is to create a position of UPZ chair that allows for some control over decision making, while avoiding resentment from other key stakeholders (e.g. MPs, UNOs). One recommendation was that MPs should cede direct control over the allocation of local development funds; rather MPs should advise UPZ chairpersons in establishing social development and local priorities. For this, both MPs and UPZ chairs should receive training so that they are aware of their roles, responsibilities and powers, and do not interfere in each other’s jobs and do not feel that their positions are under threat.

Building Popular Support

Interviews with civil society representatives and local academics emphasized three distinct ways in which popular support of local government could be strengthened: (1) Better trained UPZ chairmen; (2) Independent audit agencies, in addition to UNOs, could be invited to oversee UPZ functions and to tackle corruption; (3) NGOs could play a more active role in educating and disseminating information at the rural level.

IV. LESSONS LEARNED

One of the most important lessons from the execution of the political analysis of decentralization study in Bangladesh is the need to be reflexive and aware of the position of the Bank as a stakeholder. The advantages and challenges encountered in conducting an analysis of this kind from the position of the World Bank are summarized in Box 3.
### Box 3: Benefits and Challenges of conducting a political analysis from the departure point of a Bank operation

**Advantages**

**Access to resources and informants:** The leverage and reputation of the World Bank contributes to excellent access to in-country resources and support. In Bangladesh, the Bank team had extraordinary access to resources such as primary and secondary data, local officials, NGO & CSO representatives, and donor partners willing to participate in discussions and provide their expertise.

**External standpoint and ability to bring a comparative perspective:** Respondents were generally enthusiastic about interacting with the Bank team who they felt could "make a difference in their lives" (as noted by several interviewees). Respondents expressed an appreciation for an ‘outside’ perspective, and it was clear that many hoped Bank staff would bring its expertise to guide reform initiatives based on their experience and knowledge of other successful cases. The Bank team found that its skill expertise was enhanced by the involvement of local consultants, who brought the ‘insider’ perspective on board.

**Challenges**

**Deep-rooted assumptions:** A major challenge was overcoming deeply-rooted assumptions on decentralization and arriving at honest views on reforms. Since decentralization as a concept was viewed as 'good' and 'moral', respondents were hesitant to be seen as anti-local government, and consequently, anti-democracy. Interviewees repeatedly stated that they were not against decentralization, even if their answers suggested otherwise. Stakeholders hid their biases in order to concur with perceived World Bank preferences. While the Bank team had open discussions with stakeholders, at the same time, stakeholders were very conscious during interviews and tempered answers to what they thought Bank representatives wanted to learn. The findings of local counterparts were therefore crucial to verify the views of key stakeholders as understood by the Bank team and to provide additional perspectives. Finally, the personal views of the local counterparts (and the Bank Team) need to be considered. By virtue of local consultants’ interactions and experience with the local environment, they likely held strong prior assumptions about decentralization. The Bank Team likely had similar assumptions based on experiences in other country contexts. Caution needs to be exercised in the structuring of the questionnaires and in comparing and contrasting findings of local consultants and the Bank Team.

**Political sensitivities:** Political Analysis needs to be sensitive to the broader political climate at the time of investigation. This study was conducted during the rule of an interim caretaker government in Bangladesh. Both stakeholders and local consultants were naturally guarded with their answers and approach in this environment. Questions arose (amongst both analysts and stakeholders) on the purpose of this study and its implications for decentralization reform. Ultimately, in a politically fragile climate, it is important to be cautious in ensuring that political analysis findings do not create more problems than they are intended to resolve, and to temper questions and findings on politically sensitive issues. Awareness of the position of the Bank as a political actor is critical to both establishing relationships and interpreting information provided in the context of a Bank study.

Finally the following are some key lessons identified on the basis of the Bangladesh work which are presented as a contribution to future work of this kind. Many of these are applicable to other types of analytical work, but they acquire increased importance in a political analysis study which deals with the politics of reform and sources of support and resistance, both combustible and sensitive issues.

**Country team buy-in is important.** Given the political nature of the study, it is crucial that it generates support and sustains commitment of the country team. To make the study meaningful, it is imperative to interact with the country team so as to create an environment where the study findings are used to engage differently and are embedded into the design and implementation of decentralization reforms.

**Establish early consensus on purpose(s) of political analysis findings.** For studies of political analysis to accomplish their broader goals (e.g., political credibility, understanding of divergent views), it is essential to identify the primary audience at the onset of the study. The primary audience of the political analysis needs to be clear - is it the government, the country,
the World Bank, donors, or a combination? There should be agreement on the use of the study - if internal, how would the country team use study findings; if publicly available, how will study findings be shared within and beyond the Bank in terms of workshops, use in design and implementation of reform, and dissemination events to initiate dialogue and discuss findings?

Enhance knowledge, expand expertise, and maximize skills by strengthening partnerships with local consultants. Since a primary purpose of the political analysis is to capture local perspectives and needs to guide reforms, the skills and experiences of local counterparts are essential. A partnership that consists of the Bank team, which brings in external experiences with decentralization and ability to design analytical frameworks, and local counterparts, who bring local experience and expertise, is critical to effective stakeholder political analyses. This partnership has the added advantages of: (1) presenting a more representative picture (insider and outsider views) on positions towards decentralization; and (2) enhancing the democratic nature of reform by incorporating voices of marginalized groups. The right skill mix of political analysis expertise, local knowledge, and experience with political economy of decentralization is therefore crucial to the success of the study.

Be sensitive towards local culture: Exhibiting sensitivity through understanding of the culture automatically improves trust and communication. One advantage brought in by Bank team members is their experience in other contexts, which helps enhance their respect for local culture and adapt lessons from other contexts. Additionally, regardless of whether a Bank team member speaks the local language or a translator is used, respondents become more comfortable and communication is improved when consultations are conducted in the local language.

Question assumptions. The importance of recognizing unsupported assumptions about decentralization (amongst respondents, local consultants and Bank team) is important for developing the study framework as well as analyzing the findings. It is particularly useful to identify such assumptions before conducting fieldwork (e.g., consultants often assumed there were no drawbacks to instituting decentralization reforms).

Be knowledgeable about local political circumstances. The team must educate itself before fieldwork about the current political situation, particularly if it is fragile. This knowledge allows the team to develop politically sensitive questionnaires (so as to put both stakeholders and local consultants at ease); it makes it easier to detect cautionary responses from stakeholders when analyzing findings; and, importantly, it allows the team to be realistic about the strength of the findings, their implications and audiences for dissemination. To summarize, in-depth knowledge of local circumstances better informs both the organization and findings of the political analysis study, making the end results more effective.

Political analysis should be an iterative process: Political Analysis is not and should not be a one-time investigation. While the main study should be conducted prior to the reform, findings should be the basis for monitoring and making changes if necessary during and after the implementation of the reform.

Ensure widespread dissemination of findings to key stakeholders. This lesson is important because it helps to improve political credibility and fosters information about the design and impact of reforms. Political credibility is improved because the widespread dissemination of findings reinforce to stakeholders that they have a voice in the reforms. It also educates stakeholders on potential areas of cooperation (and conflict) with other stakeholders on decentralization. The design of reforms is improved because widespread dissemination of the findings fosters deeper dialogue about the obstacles and advantages of current reform proposals. Positive impacts of reform are generated because findings highlight local constraints to reform and suggest ways to overcome them.
Do not hesitate to ask hard questions. This is the prerogative of outsiders. Posing questions that stakeholders may not anticipate can help overcome bias or feelings of intimidation that respondents may hold. Asking, for instance, ‘is decentralization necessarily a good thing?’ can encourage them to abandon guarded answers and overcome notions that only positive answers about decentralization are expected.

Develop clear policy implications. It is important not to lose focus of the main goal which is to develop more workable, effective and legitimate reform proposals. One danger of political analysis is to begin focusing on the study report, rather than the process of local governance reform. In other words, simply capturing the views of key stakeholders and synthesizing them for the final report is not a sufficient end in itself. The synthesis report must contribute to changes and therefore should include the following: (1) guidelines for policies based on the responses and concerns of interviewees; (2) guidance on continuance of dialogue between stakeholders during the decentralization process so as to have an effect on reform implementation; and, (3) proposals on how findings can be widely disseminated and have a feedback mechanism.

This note is based on the study, “Decentralization and Local Governance in Bangladesh: An Analysis of Stakeholder Perspectives”, conducted in 2007. The study was conducted by the World Bank’s task team comprising of Nita Rudra (Associate Professor, University of Pittsburgh) and Shonali Sardesai (Sr. Social Scientist), the authors of this note. The study drew from the Bank team’s desk and field research as well as four reports prepared by local counterparts. The findings of the study are reflected in the note and the authors would like to mention the contribution of our local partners: Dr. Atiur Rahman, Dr. Mirza Hassan, Dr. Salahuddin Aminuzzaman, and Dr. Zarina Rahman Khan.

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