

Introduction

Of the three core functions of legislatures—representation, lawmaking, and oversight—oversight is perhaps the least studied and practiced. Representation, however well or poorly it is done, has an impetus in the ambitions of organized parties, a periodic test in elections, and a performance standard in the correspondence between what people want and what they think they are getting. Lawmaking—which ranges from ritual legislative involvement to full participation in governing—is a constitutionally mandated event in almost any system even pretending to a rule of law. Oversight, by contrast, is not typically bolstered by the same order of external institutions or required events or with the same urgency and visibility. Moreover, oversight involves assessing the implementation process, and this generally occurs outside the public eye and in activities that are scattered in space and time.

Despite these conceptual and practical difficulties, this book demonstrates that legislative oversight does have scholars documenting its variety and effects, democratization proponents advocating its place among good governance practices, and elected officials in the countries promoting the legislative function of oversight through their activities.

My own perspective on legislative oversight comes from my scholarly interest in policy implementation and my interest in improving governance practices as a practitioner of democracy assistance. David Olson, in the concluding chapter of this book, observes that oversight occurs toward the end of the policy process, during the implementation of laws. In many systems, even those with a formal separation of legislative policy making and executive administrative powers, it is the opportunity for legislators to participate in implementation. Many of the evaluative standards that are applied in the implementation literature to measure how well a policy has been implemented have their parallels in the tasks of legislative oversight: fidelity to the law, probity in spending, efficiency in choices, effectiveness in producing the desired outcomes, and the acceptability and legitimacy of processes. Since it is the legislature that



examines executive behavior, oversight is also a tool for checking the behavior of the system's single most powerful political actor. Many of the chapters in this book hit one or more of these different facets of critiquing how executives implement the law. Although policy making and lawmaking are often seen as the central legislative task, concern with the implementation of law is the realm of legislative oversight.

Just as a complete view of the policy process requires a concern with both policy making and implementation, a fuller involvement of the legislature in governing may be just what is needed to bring what people want closer into line with what they get. This lesson has been driven home to me during my recent experience directing a legislative assistance program in Nigeria. In 2008, a Nigeria House of Representatives committee investigation revealed that Nigeria had spent, under the former President Obasanjo, over US\$10 billion for expanding power-generating capacity and received zero kilowatt hours in return. Many believe that the Nigerians already have many of the laws they need, they have the money thanks to oil, and they nominally spend it on many of the things people want, including power generation. The problem is that they are not receiving value for money spent when programs are not implemented by the executive (large sums are returned to the treasury because of the inability to spend the funds), resources are diverted through corruption, inefficient choices are made, and so many of the outcomes they seek worsen even as spending increases. The literature on democracy and economic growth stresses the democratic advantage of giving leaders feedback about how they are doing; legislative oversight is an important but underused means for giving them that information in a form that is typically hard to ignore.

This book originated in large part with the concern of practitioners about increasing and improving the part played by legislative oversight in governing developing democracies. As part of its governance program, the Poverty Reduction and Economic Reform Division of the World Bank Institute (WBIPR) seeks to strengthen parliamentary oversight to promote enhanced government accountability and transparency. WBI supported earlier work on the subject and, starting in 2004, collaborated with the Research Committee of Legislative Specialists (RCLS). Together they organized a series of roundtables, initially at the Southern Political Science Association's annual conference and, more recently, at the American Political Science Association's conference. Versions of many of the chapters in this book were originally presented during these roundtables.

The goal of this WBI-RCLS collaboration was to bring together scholars and practitioners working on oversight from many different perspectives and in many different legislative settings. Thus, this book is a truly eclectic compilation that samples worlds of practice and scholarship, both of which are in some flux.

The Distribution of Oversight Tools and Implications

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The book begins with an inventory of oversight tools and powers and their distribution across different political systems. Riccardo Pelizzo and Rick



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Stapenhurst, in chapter 1, present data on oversight tools collected from a survey of 83 countries by the Inter-Parliamentary Union in collaboration with the World Bank Institute. Data analysis reveals that legislatures in parliamentary systems are generally better equipped to oversee government activities than are legislatures in presidential and semipresidential systems. In the budget process of presidential systems, legislatures are generally the most active in the preparation of the budget, whereas legislatures in parliamentary systems are the most active in approving the budget. However, the tools alone cannot predict a legislature's oversight effectiveness, or the extent to which oversight potential is used in practice.

Pelizzo, in chapter 2 argues that a parliament's oversight potential, measured by the number of oversight tools available to a parliament in a given country, affects the probability that that country is formally democratic or a liberal democracy. Pelizzo supports this by statistical analysis. He also finds that the only oversight tool that is strongly and significantly related to a country's liberal-democratic status is the institutionalization of the ombudsman function.

Oversight and the Budget Process

"Deep Throat," an inside informant, advised reporters investigating wrongdoing in the Nixon Administration to "follow the money," and public policy scholar Eugene Bardach has argued that this is the best way to trace what is happening during implementation. The budget process provides critical opportunities for legislative oversight. As such, part two (chapters 3 through 10) examines budget oversight from the formulation and approval of the budget to the implementation and the ex post examination of the public accounts. In chapter 3, Stapenhurst describes legislatures' different roles in financial oversight and considers some of the lessons emerging from a decade of legislative development and reform. In chapter 4, Kerry Jacobs demonstrates, from an accountant's perspective, how the nature and role of budgets has a number of practical implications for those charged with exercising budgetary oversight. Then in chapter 5, Joachim Wehner constructs an index using data for 36 countries from a 2003 survey of budgeting procedures. The index captures six institutional prerequisites for legislative control, relating to amendment powers, reversionary budgets, executive flexibility during implementation, the timing of the budget, legislative committees, and budgetary information. The results reveal substantial variation in the level of legislatures' financial scrutiny of government among contemporary liberal democracies, suggesting that the power of the purse is a discrete and nonfundamental element of liberal-democratic governance.

Drawing on information from the World Bank-Organisation for Economic Co-operation and Development (OECD) budget procedures database and data from the Center for Budget and Policy Priorities' International Budget Project Open Budget Survey, Katherine Barraclough and Bill Dorotinsky, in



chapter 6, examine legislatures' roles at the drafting stage of the budget and identify factors that influence different degrees of legislative involvement. The chapter also highlights some good practices for optimizing the role of the legislature in this phase to improve fiscal discipline, strategic allocation of resources, and operational efficiency.

In chapter 7 Dorotinsky again uses the World Bank-OECD budget procedures database to describe what happens if no budget is passed before the fiscal year begins and outlines the potential costs of failing to reach agreement. Data for OECD and non-OECD countries are compared, as well as parliamentary and presidential systems of government.

Specialized committees have emerged as fundamental tools for oversight in general and for the budget process and spending of public monies in particular. In many parliaments, the Public Accounts Committee (PAC) serves as the audit committee of parliament, making it a core institution of public financial accountability. PACs tend to be found in Westminster-model parliaments across the Commonwealth, although several other parliaments have adopted PACs, including Finland, Ethiopia, and Rwanda, among others. In chapter 8, Pelizzo and Stapenhurst look more closely at the specific oversight tool of PACs in national and subnational parliaments throughout the Commonwealth. Using a survey of 33 PAC chairs, they examine how PACs can contribute to effective oversight of government accounts and the conditions that promote a PAC's good functioning and success.

Effective oversight committees are most often those with supportive staff, useful partners, and allies from the bureaucracy and civil society. Legislatures and their committees are often assisted in their oversight function by extra-parliamentary accountability institutions, such as supreme audit institutions and ombudsmen. Parliamentary budget offices may also provide independent expertise and support to parliament. Barry Anderson, in chapter 9, discusses the potential value of such independent analytical budget units in putting the legislature on a more equal footing with the executive and in increasing the overall transparency, credibility, and accountability of the budget process. He concludes that such units must be nonpartisan, independent, and objective to successfully fulfill their core functions.

In chapter 10, John K. Johnson and Rick Stapenhurst examine the differences and similarities between six established and two planned budget offices. They argue that several more budget offices will appear over the next decade, particularly in countries with long-standing traditions of nonpartisan parliamentary services. Later in the book, Hon. Beatrice Kiraso Birungi provides an in-depth study of the Uganda Parliamentary Budget Office (PBO) alluded to in the Johnson and Stapenhurst piece. The Ugandan PBO was established by a private members bill, which also established a budget committee and redefined the way Uganda's Parliament participates in the budget process. It was passed despite government opposition. Kiraso demonstrates how parliaments can initiate their own legislation to ensure that they are able to participate fully and in a meaningful way in the budget process. Uganda's PBO, its successes, and the challenges it has faced offer many useful lessons for other parliaments.



A Study of Countries' Experiences

In the final section, attention turns to how oversight operates in the context of specific places. Chapters 11 through 22, in part three, present case studies that examine legislative oversight in regions and countries around the world. David Olson argues that the Polish Sejm is currently the most active post-communist parliament in terms of oversight and administrative review. He suggests that, in light of the Polish experience, postcommunist parliaments will have increasing capacity to be active in oversight as a result of both the budget process and the growing international influences on policy choices. In chapter 12, Thomas Remington examines the use of de facto oversight mechanisms by the Russian Federal Assembly and relates them to institutional performance in the postcommunist Russian state. He finds that, in contrast with the early 1990s, policy making has become much more efficient.

Mark Shephard, in chapter 13, contends that despite the House of Commons' awareness of its limitations in administrative review and oversight, change has been slow and hampered by the constitutional framework, executive hegemony, and strong partisanship within the United Kingdom's Parliament. Although some important concessions have been made recently, many of the successful reforms have focused on improving the efficiency of oversight rather than on ensuring the effectiveness of oversight. In chapter 14, Scott Desposato investigates how legislatures' ability to engage in effective oversight activities is related to both the formal institutional framework and informal institutional incentives. He demonstrates the impact of informal institutional incentives on the state assemblies' ability to oversee executive activities in Brazil.

Edward Schneier, in chapter 15, examines why the postreform Indonesian parliament has not put mechanisms of legislative oversight to effective use. Schneier cites endemic corruption and other political dynamics that diminish the legislature's incentives to perform an oversight role. In chapter 21, Vishnu Juwono and Sebastian Eckardt look more specifically at the role of the Indonesian parliament in budget oversight. They note that parliament now holds stronger powers with regard to the preparation of the state budget and oversight of its execution. However, they find, among other things, that excessively detailed legislative involvement in the current budget preparation process consumes considerable time and resources, and attention to detailed line items may distract from the focus on more aggregate spending priorities in the budget.

In chapter 16, Chen Friedberg examines parliamentary oversight in the Israeli parliament, the Knesset, through the lens of two committees, the State Control Committee and the Education and Culture Committee, during the 7th, 10th, and 13th Knessets. She focuses on the structural and procedural problems that characterize the Israeli parliamentary committee system and that may impair the effectiveness of its oversight.

In chapter 17 Robert J. Griffiths discusses parliamentary oversight of defense policy in postapartheid South Africa. Using the case study of the Strategic Defense Procurement Package, he provides insight into the development of transparency and accountability in defense policy, while highlighting the



challenges to effective parliamentary oversight, such as party discipline, executive-legislative relations, and the capacity of parliamentary committees to adequately monitor the complexities of government policies.

While legislative budget institutions are being rediscovered as part of a second wave of reform in government financial administration, in chapter 18 Carlos Santiso finds that parliaments in Latin America are too often weak and discredited, with limited institutional capacity or political incentives to influence the budget. This situation is due to executive dominance as well as parliaments' own deficiencies. Ultimately Santiso argues that the governance of the budget must reflect a delicate balance between executive prerogatives and legislative oversight.

Carolyn Forestiere and Riccardo Pelizzo study how institutional and political conditions influence the Italian Parliament's power over the budget. Drawing on institutional and party system theories, they argue in chapter 19 that procedures and ideology provide the greatest incentives for parliamentarians to deviate from unilaterally supporting their governments during the passage of the national budget.

In chapter 20 Zdenka Mansfeldová and Petra Rakušanová analyze the bargaining process in the legislature of the Czech Republic. Over recent years, the budget process has undergone some great changes. Although the distribution of party power in the Parliament and the Budget Committee remains of crucial importance, joining the European Union has led the Parliament to seek a greater profile and strengthen its audit functions. At the same time professionalization of the deputies on the Budget Committee has greatly increased the committee's influence and prestige.

In his conclusions Olson notes that the chapters in this volume, written at various times, with different data, and for different purposes, are not the product of a single encompassing research design. To some degree the chapters in this book illustrate the difficulties in developing a limited and workable definition of legislative *oversight*. Moreover, while the policy implications of oversight are potentially important and deserve more research than reported in this book, the policy consequences of oversight need to be clearly distinguished from the oversight function itself. The case studies demonstrate the different means that legislatures have at their disposal for oversight, but also the different ways legislatures use these means. A variety of external and internal factors come into play, which may constrain or enable a given legislature's oversight capacity. In thinking about a given legislature's oversight function, it is important to examine time, societal context, and executive branches as both enabling and limiting oversight.

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