Challenges of Participatory Budgeting Performance in Eastern Tigray Region, Ethiopia

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ABSTRACT

Aim: The objective of the study was to identify the challenges that hinder performance of the participatory budgeting of capital outlay in eastern Tigray Zone, Ethiopia.

Methodology: Descriptive type of research design was used to clarify and explain the reality of the study area in a meaningful way. Qualitative research approach was employed to assess experiences and events appropriately and to analyze data obtained using interview. Quantitative research approach also obtained statistical methods in describing patterns to generalize results of the field survey gathered through questionnaire from respondents using 1 to 5 Likert scale (Kothari, 2004). Furthermore, the research used survey research strategy to collect data from the target population of 108 using census enquiry. In addition, interview employed with purposively selected informants to triangulate data captured using questionnaire. Besides, personal observation was used. Predictive analysis was employed to determine the correlation effect of challenges on the performance of participatory budgeting.

Findings: The researchers conclude that there is participatory budgeting mechanism in participatory budgeting practice of eastern zone of Tigray Regional State. There are institutional and operational challenges in exercising the participatory budgeting of the study area that hinder the performance of the practice. Consequently, the researchers recommend that understanding and avoiding of the challenges is important task of the stakeholders.

Key words: Participatory Budget (PB), Residents’ Committee, Urban Level Committee
1. INTRODUCTION

Participatory budgeting is a decision-making process through which citizens become conscious and consult over the distribution of public resources (Shah, 2007). Participatory budgeting programs are implemented based on the demand of citizens, governments, nongovernmental organizations, and civil society organizations. (Ergetie, 2009) Also believe that participatory budgeting enables residents to play a direct role in deciding where and how to allocate resources. (Goldfrank, 2006) These programs create opportunities for engaging, educating, and empowering citizens, which can foster a more vibrant civil society. It promotes transparency and as a result reduces government inefficiencies and negligence.

The Urban Local Government Development project (ULGDP) (2008-13), in Ethiopia first phase implemented by Federal Government of Ethiopia (GOE) Ministry of Urban Development, Ethiopia has been promoting civic engagement in the context of decentralization of authority to lower levels at zonal, Wereda and societal levels as an important policy instrument for addressing local needs effectively and situating the power for public service delivery closer to the people. Decentralization was primarily designed to ensure that development plans are responsive to local realities and to enhance efficient delivery of public services (Ministry of Information, 2004).

The Housing and Construction started with initial program budget USD 208 Million financed by World Bank, intending to improve the institutional capacities of the Urban Local Governments to meet their infrastructure necessities through discretionary funds as Specific Purpose Grants (Off-budget Performance Grants). The Program endeavors towards fulfilling infrastructure needs for basic services in towns and cities across Ethiopia and empowering local governments to commence capital investments and own resource mobilization (FDRE, 2009).

Years before the cities of Ethiopia and their citizens were experiencing poor urban governance as manifested in a highly centralized government system, un-participatory governance, poor service delivery, and lack of transparency. A highly centralized political system also undermined the active community participation in the socioeconomic and political affairs (FDRE, 2009). (Taipale, 2014) Sustainability of participatory practice, migration, segregation and an urgent need for more
inclusion, financing as well as methods of public participation are some of the challenges in participatory budgeting practice. (Matovu, 2007) Added Political will, interest of civil society, utilization of traditional structures or leaders, strategic plan, clear rules, resource and knowledge of operational budget are key challenges in participatory budgeting practice.

Though there have been many studies in relation to budget utilization and budget management, the drawbacks and their factors for effective performance of participatory budgeting practice of the study area had not yet been studied by other researchers.

Therefore, this research is mainly concerned to fill this research gap by identifying the challenges which hinder the performance of participatory budgeting in two cities (Adigrat and Wukro) by developing some variables from different literatures. Moreover, this field survey cracked the practical barriers and origins of the challenges in achieving the objective of expanding urban infrastructure through participatory budgeting practice in eastern zone of Tigray Regional State. The study was conducted based on the analysis of the existing theoretical and practical experiences. To deal with this research issue, the following research questions were developed. Therefore, the main objective of the study is to assess the challenges to performance of participatory budgeting practice in Eastern Zone of Tigray Regional State cities. The specific objectives are:

- To review mechanisms used to ensure effective practice of participatory budgeting on Eastern Zone of Tigray Regional State cities
- To assess the challenges of participatory budgeting practice of the study area

2. Materials and Methods

2.1. Research Design

The objective of the study is to identify the challenges which have impact on the performance of participatory budgeting practice in eastern zone cities for which to attain this objective descriptive research type was employed and it incorporates qualitative and quantitative research approaches. Descriptive type of research design used to clarify and explain the existing phenomenon in a meaningful, justifiable and numerical manner for identifying and revealing mechanisms deployed in the cities for performing participatory budgeting practice. Predictive analysis employed for
analyzing the correlation relationship between the challenges and performance of the participatory budgeting. Qualitative research approach tried to assess experiences and events contextually within their natural settings and tries to analyze them holistically. Furthermore, the research used survey research strategy to collect data which aims at maximizing reality of the work with cross-sectional study design because the study planned status of a various groups at a given point in time from the whole population.

2.2. Sources of Data
The research absorbs both primary and secondary sources of data.

2.2.1. Primary Sources
Primary data was collected through questionnaires and key informant interviews to get fresh and firsthand information from respondents of the field survey. In collecting primary data interview guide was administered on key informants and questionnaires using structured questions (Yogish, 2006). Key informant interviews help in clarifying the information obtained using questionnaire. Besides, personal observation and informal discussions with residents and other authorized bodies of public and private sectors of the study area also employed.

2.2.2. Secondary Sources
Yogish (2006), secondary data was brought from published and unpublished materials, which were available in the form of journals, articles, proclamations, laws, regulations, strategies, policies and guidelines. In addition to this the research used performance reports of the cities and relevant academic writings which the researchers considered as relevant in answering research questions and achieving the objective of the study.

2.3. Sampling Design
The number of the universe (the population size) is 108 comprises of residents’ committees of the two cities and urban level committees from government offices at woreda level. The researchers select the two cities (Adigrat and Wukro) purposively because these are the only cities and have a bearing on participatory budgeting practice in public capital expenditure of Eastern Zone of Tigray Regional State.
Table 1: Sample Frame Selected from the Population

<table>
<thead>
<tr>
<th>S.N</th>
<th>Sample Frame</th>
<th>Sample Unit</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Residents’ committees of the two cities</td>
<td>62</td>
<td>57%</td>
</tr>
<tr>
<td>2.</td>
<td>Urban level committees of the two cities</td>
<td>46</td>
<td>43%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>108</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Source:** Research’s fieldwork

The total number of the study area is 108 and is possible to take in to account all the target population for field survey. So the most appropriate technique that was used in this study is census inquiry method. Census is collecting all the necessary data from the whole population under study and the advantages of census method are completeness, data are obtained from each and every unit of population in the study area and keep originality, all the target groups are participated, in the study, accuracy and reliability will be obtained and are likely to be more representative, accurate and consistent (Kothari, 2004). Besides, the authors employ non-probability sampling technique that is purposive sampling method to conduct interview with team leaders of the committees because team leaders have exposure and deep knowledge up on issues and because they work closely with government bodies and ULGDP (WB) and are the representatives of the public and this enable the researchers to triangulate ideas gathered using questionnaire.

2.4. **Data Analysis, Presentation and Discussion**

Yogish (2006), data analysis used to reduce the raw data into a manageable size, applying statistical inferences and developing summaries. Consequently, data collected was edited to detect and correct possible errors and omissions. The analysis made to ensure reliability across responses received from respondents. The correlation analysis used to establish statistical significance and the nature of the relationship of the performance of participatory budgeting with challenges.

For computing data Statistical Package for Social Science (SPSS) used and statistical tools such as Pearson Correlation, $R^2$, adjusted $R^2$, significance level and $\beta$ were employed for inferential analysis or statistics with 95% probability level. According to the statistical result the collected
data was interpreted. Qualitative method also utilized in a narrative manner to analyze the opinions, feelings and attitudes of the respondents for conceptualizing and interpreting the quantitative data in suitable and easily understandable way.

3. RESULT AND DISCUSSION

3.1. Availability of Mechanisms to Support Participatory Budgeting

Table 2: Analysis of the Availability of Mechanisms to Support Participatory Budgeting

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Range</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
<th>Skewness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability of Mechanisms</td>
<td>108</td>
<td>2.00</td>
<td>3.00</td>
<td>5.00</td>
<td>4.4259</td>
<td>.05613</td>
<td>.58331</td>
<td>-.425</td>
</tr>
</tbody>
</table>

The mean (4.4259) value of the analysis shows that there is availability of mechanisms which is established to enhance the performance of the participatory budgeting practice in eastern zone towns.
3.2. The Availability of Mechanisms to Support Participatory Budgeting Using Table 3: Pearson Correlation Analysis

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Effective Performance of Participatory Budgeting</th>
<th>Availability of Participatory Budgeting Mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Performance of Participatory Budgeting</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>108</td>
</tr>
<tr>
<td>Availability of Participatory Budgeting Mechanisms</td>
<td>Pearson Correlation</td>
<td>.776**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>108</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

The Pearson Correlation analysis depicts the relationship between the availability of participatory budgeting mechanisms and performance of participatory budgeting practice. The relationship analysis is carried out between Effective Performance of Participatory Budgeting Practice with Respect to Availability of Participatory Budgeting Mechanisms. Based on the Pearson Correlation analysis the following result was obtained.

From the correlation analysis table 3 above, it is inferred that there exists a strongly positive correlation between effective performance of participatory budgeting and availability of participatory budgeting mechanisms (r=0.776, p<0.001). In the two towns, it is confirmed that participatory budgeting mechanism is available. The participatory budgeting practice mechanisms include the availability of autonomous institution responsible for mobilizing participatory budgeting practice, well-defined budgetary plan, organization of the practice, establishment of participatory budgeting process, involvement of civic society and community in monitoring of fund utilization, incorporating of suggestions from the residents and involvement of disadvantaged groups (Women and disabled) through representatives in participatory budgeting committee.
3.3. THE RELATIONSHIP OF CHALLENGES WITH EFFECTIVE PERFORMANCE OF PARTICIPATORY BUDGETING

The relationship analysis is carried out between Effective Performance of Participatory Budgeting Practice with Respect to Institutional Challenges and Effective Performance of Participatory Budgeting Practice with Operational Challenges. Based on the Pearson Correlation analysis the following result was obtained.

Table 3: The Pearson Correlation analysis depicts the relationship between the challenges and effective performance of participatory budgeting practice

<table>
<thead>
<tr>
<th></th>
<th>Correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Effective Performance of Participatory Budgeting</td>
</tr>
<tr>
<td>Effective Performance of Participatory Budgeting</td>
<td>Pearson Correlation 1 <strong>.507</strong></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) 0.000</td>
</tr>
<tr>
<td></td>
<td>N 108</td>
</tr>
<tr>
<td>Institutional Challenges to the Performance of Participatory Budgeting</td>
<td>Pearson Correlation <strong>.507</strong></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) 0.000</td>
</tr>
<tr>
<td></td>
<td>N 108</td>
</tr>
<tr>
<td>Operational Challenges to the Performance of Participatory Budgeting</td>
<td>Pearson Correlation <strong>.511</strong></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) 0.000</td>
</tr>
<tr>
<td></td>
<td>N 108</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

There exists a positive moderate correlation between effective performance of participatory budgeting and operational challenges (r=0.511, p<0.001) and effective performance of participatory budgeting with institutional challenges (r=0.507, p<0.001).

From this it can be conclude that there are institutional challenges such as lack of integrating participatory budgeting with strategic plan, improper sourcing of resources, ambiguity of rules in participatory budgeting, politicization of participation process, poor communication regarding the
participatory budgeting practice to the community, improper establishment of system in participatory budgeting influences the performance of the participatory budgeting practice. In addition, in some-way, there appear operational challenges which are lack of inclusion of all concerned parts, improper prioritization of needs and demands, lack of budget oversight and monitoring capacities, lack of knowledge of operational budget, lack of sustainability of the participatory budgeting practice, difference between expectation and performance of the practice in the participatory budgeting practice of the two eastern zone town Weredas namely Adigrat and Wukro.

The operational challenges with availability of participatory budgeting \( (r=0.508, p<0.001) \) and operational challenges with institutional challenges \( (r=0.347^{**}, p<0.001) \) does exists to have a positive moderate correlation. The correlation coefficient, from this analysis, gives only a direction to the research and does not confirm causality to one another.

4. CONCLUSION

In the two towns, Adigrat and Wukro, it is confirmed that participatory budgeting mechanisms are available. The mechanisms are carried out to perform participatory budgeting practice. The performance of participatory budgeting practice of the town weredas has institutional and operational challenges. The challenges are affecting the practice from performing based on the plan and expectation of the society and the government. Generally, in Adigrat and Wukro participatory budgeting mechanisms are available.

The government of Ethiopia is funding billions of Birrs in Mega projects to achieve the Growth and Transformation strategic plan of the country. For this reason, the government is financing more grants for such projects. Side by side urban infrastructure requirements should be fulfilled. Hence, the government of the country introduces participatory budgeting to finance urban demands by participating residents of the cities with money and in kind to support the projects with finance and enhance ownership sense of the public. So, the research is conducted in the participatory budgeting practice mechanisms, challenges.

Based on the analysis made on the field survey, the researchers provide some recommendations for concerned bodies. The recommendations are:
The institutional challenges influence the performance of the participatory budgeting practice. In addition, operational challenges make difference between expectation and performance of the practice in the participatory budgeting practice of the two town Weredas namely Adigrat and Wukro. The challenges hinder the participatory budgeting practice from performing as expected. Hence, the obstacles are better avoided from happening. Avoiding such challenges can benefit the stakeholders of the practice to achieve the predetermined objectives of participatory budgeting. And at the end, the requirements of the society will be fulfilled by integrating all social and governmental resources.

Generally, understanding and avoiding of the challenges is important task of the stakeholders. As far as the obstacles that hinder performance of the practices, the challenges should be overcome.

References


