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Local Level Decentralization in Ethiopia: Case Study of Tigray Regional State

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Abstract: Based on the literature on decentralization, this article investigates the institutional arrangement and autonomy of local governments in Tigray Regional state. It is based on two rounds of field work covering nine districts. At a formal level, local governments are autonomous units with some defined mandates including power to decide on policy issues. In reality however, local governments in the study area act more as deconcentrated than as autonomous units since their autonomy is curtailed by higher level governments and party structures. Local governments are thus extension arms of the regional state with little autonomy of their own. Institutions such as elected councils, mayors and the executive exist at the local level but there is more vertical than horizontal accountability. As a result, local Councils have not been able to ensure accountability. Thus decentralization has not resulted in popular control of local governance and local-level development as interests of the party and the local political elite prevail over popular interests. The article calls for rethinking the design of local government that would constitute a local government deal that shifts decision-making away from higher level institutions to the local level, constituting multi-stake holders having control over the affairs of local government.

Keywords: local government Ethiopia, decentralization, local development, local government deal, devolution

1 Introduction

Political systems characterized by big man, one party rule and centralized governance were common within the African continent in the 1960s. Almost all post-colonial African countries viewed the alternatives, in particular federalism and decentralized systems, as colonial tool for divide and rule which are likely to weaken national unity and facilitate state fragmentation. The result was

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the over concentration of power and resources in the hands of a few ruling elites which in turn led to civil war, poverty and state failure to deliver even the bare minimum services outside of the capital.¹ The pursuit of unity and territorial integrity at the expense of ethno national minorities remained leading priority for African states.² After the end of the Cold War however, federalism and devolution became a means to “domesticate the Leviathan,”³ transfer power from the all-powerful center to subunits. Federalism and devolution were meant to address the pitfalls of centralization: governance crisis owing to extreme centralization, state failure to deliver basic services, address poverty and enhance public participation at the grass root level by allowing people to have control over their own government. It was in this context that Ethiopia adopted a federal system and established nine constituent units following the collapse of the military junta in 1991 primarily with a view to accommodating politically mobilized ethno national groups. But this was not enough: a second phase of devolution was followed a few years after the adoption of the federation and established over 800 local governments below the states to enhance public participation and bring government closer to the local level.

Based on the literature on decentralization, this article aims to analyze and assess the status, functioning and autonomy of local governments in Tigray regional state, one of the constituent units of the Ethiopian federation. This is followed by an empirical investigation of whether local government units exercise those powers and enjoy local autonomy. The study is based on field work⁴ conducted from February to June 2017 (Phase one), February to June 2018 (Phase two) covering six weredas (districts) and three urban local governments from four zones. It is argued that at a formal level, local governments are autonomous units with some defined mandates including power to decide on policy issues. Local governments have accomplished significantly in terms of ensuring the provision of basic services such as education and rehabilitation of

1 Peter Wanyande, *Decentralization and Local Governance: A Conceptual and Theoretical Discourse*, 25 *Regional Development Dialogue*, no. 1 (2004), 2.

2 Ursula Hicks, *Federalism: Failure and Success, A Comparative Study* (London: The Macmillan Press 1978), p. 4.

3 Nico Steytler, *Domesticate the Leviathan: Constitutionalism and Federalism in Africa*, 24 *African Journal of International and Comparative Law*, no. 2 (2016), 272.

4 Ten focus group discussions, interview with key experts and former governors, mayors and administrators were held for purpose of this study. Annual reports prepared by wereda administrators and mayors to local level elected councils and to the regional state were examined as well. Speakers and committee members of local level elected councils were also interviewed to capture the workings and functions of local legislative bodies and how they interact with the local executive in particular on issues related to oversight and accountability.

the environment. Yet, local governments act as deconcentrated units of the regional state than autonomous government units. Their autonomy is often curtailed by zones, regional state executives and more importantly by higher party structures. Local governments are thus extension arms of the regional state with little autonomy of their own. At a formal level, the institutions such as elected councils, mayors and the executive exist but there is more vertical than horizontal accountability to senior party figures at zonal and regional state level than to the local councils and the voter. The elected local councils operate on a part-time basis without pay, members often busy in their own life and little incentive as members of local councils. Thus they are not able to ensure accountability and do not exercise proper oversight over the activities of the executive. Thus decentralization has not resulted in popular control of local governance as interests of the party and the local political elite prevail over popular interests. While local governments have done well in the area of service delivery in rural areas, they have not yet become centers of development. Although significant increases over the revenue of local government have occurred due to the block grants transfers, no less than 85% of it is spent in recurrent expenditure with little left for capital projects. The article calls for rethinking the design of local government that would constitute a local government deal that shifts decision-making away from higher level institutions to the local level constituting multi-stake holders having control over the affairs of local government.

There is a growing literature that covers the post-2001 decentralization effort in the country.⁵ Yet, such studies rarely cover Tigray.⁶ Given that the regional state has been the major actor in the struggle against the military regime and in the post-1991 state reform, it makes one curious to examine whether the decentralization effort in the regional state has achieved its goals in terms of ensuring some level of autonomy at the local level, ensuring service delivery and whether or not local governments have been centers of development.

The article contains four parts. Part one provides the introduction and the political context of the process of decentralization in post-1991 Ethiopia. Part two focuses on the concept and substance of decentralization as it relates to the case study. Part three illustrates the constitutional status, types, institutions,

⁵ For a comprehensive study of Local Government in Ethiopia see Zemelak Aytnew, *Local Government in Ethiopia: Advancing Development and Accommodating Ethnic Minorities* (Baden-Baden: Nomos, 2014).

⁶ The only exceptional work in this regard is Dejen's work, see Dejen Mezgebe, *Decentralized Governance under Centralized Party Rule in Ethiopia: The Tigray Experience*, 25 *Regional and Federal Studies*, no. 4 (2015), 473–490. Yet, this work is more of political analysis of the state of local level decentralization under dominant party system and lacks empirical details on the workings and functions of local governments which this study primarily aims to address.

mandates and the functioning of local governments in detail. The making and unmaking of local government boundaries, an often overlooked item in the literature on decentralization, is also discussed in this part as it has significant impact on the autonomy of local governments and administrative (in) convenience to the local population. The last part analyzes the fiscal aspects of decentralization with a conclusion at the end.

1.1 Context of Local Level Decentralization in Ethiopia

1.1.1 Socio Political Context of Tigray and Its Link with Post-1991 Ethiopia

Tigray regional state is found in the northern part of Ethiopia and shares common borders with Eritrea in the North, Afar regional state in the East, Amhara regional state in the South and the Sudan in the West.

Historically, Tigray constituted one of the centers of Ethiopian civilization. The Yeha Temples of the pre-Axumite era and the Axumite civilization (first century A.D. to ninth century A. D.) are located in Tigray. Axum has left a rich architectural and archaeological heritage of rock-hewn churches, monuments and ancient monasteries such as Debre Damo. The Obelisks, the ancient script – *Geez*, the number system (the use of which is now limited to churches) and the calendar as Axumite inventions and innovations are crucial values that defined the Ethiopian state until 1974.⁷ Christianity was introduced in the fourth century to this area and then became the state religion until the end of the Monarchy in 1974. As is well known, Solomonic genealogy and the Orthodox Christian religion remained the two core bases of the legitimacy and unity of ancient Ethiopia up until 1974.⁸ By the end of the sixth century, Islam was introduced to the area. Adwa, the place where European colonial forces (Italy) were defeated in 1896 thereby reinforcing Ethiopia's pride and uninterrupted independence and symbolizing the entire Africa's struggle against colonial forces, is also located in Tigray.

According to the population census released in 2007, Tigray has a population of 4.32 million constituting 6% of the total population of the country. Of these, 19.5% live in urban areas and 80.5% in rural. It has seven administrative

⁷ For the socio political context of the Tigray regional state, see Gebru Tareke, *Ethiopia: Power and Protest: Peasant Revolts in the Twentieth Century* (Cambridge: Cambridge University Press, 1991); John Young, *Peasant Revolution in Ethiopia: The Tigray People's Liberation Front, 1975–1991* (Cambridge: Cambridge University Press, 1997).

⁸ John Markakis, *Anatomy of Traditional Polity* (Oxford: Clarendon press, 1974).

zones, one special zone (the regional state capital Makelle), 34 rural *woredas* and 11 urban local governments (cities).

In terms of ethnic composition, Tigray is more homogenous than other regional states. The Tigrigna-speaking Orthodox Christians constitute 95% of the total population of the region. Muslims constitute 4%, Catholics 0.4% and Protestants 0.1%. There are also a few ethnic minorities like the Irob/Saho (amounting to 33,372) and the Kunama (4,860).

Extreme centralization of power and resources by the centrist ruling elite for the most part of the twentieth century coupled with narrowly defined values of the state (mainly language) resulted in marginalization of the region. This gave rise to wide spread dissatisfaction among the population and led to a popular rebellion in 1943 (popularly known as *kedamay weyane*) against the center. A more organized form of resistance against the center emerged with the establishment of the Tigray Peoples Liberation Front (TPLF) in 1975. The TPLF, that currently rules Tigray, played a key role in the post-1991 Ethiopia. The TPLF in coalition with other liberation forces from several parts of the country formed the Ethiopian Peoples' Revolutionary Democratic Front (EPRDF) and overthrew the military regime in 1991 and restructured the Ethiopian state as a federal system by decentralizing power to nine constituent states largely defined by language and two autonomous cities (the Federal Capital Addis Ababa and Dire Dawa).

Ethiopia's constitutional transformation resulted from the collapse of the socialist dictatorship and the victory of a coalition of ethno nationalist insurgent forces. The new rulers rejected the centralization and cultural homogenization of the past and designed a federal system that aims to empower ethno-national groups at regional state level. Yet, its functioning between 1991 and 2012 has been extremely centralized that limited regional state autonomy,⁹ political pluralism and democratic rights. The federal system rested in tacit practice on three pillars: (i) a "big man" – Meles (the most powerful Prime Minister who passed away in 2012), whom Clapham dubs "the philosopher-king of the EPRDF"¹⁰; (ii) democratic centralism (Meles's main tool) and (iii) the vanguard party. The "big man" has passed on, democratic centralism is in disarray and in rivalry with ethno nationalism.

The federal system has been under immense pressure since 2015, with widespread and unprecedented anti-regime public protests (particularly in

⁹ Assefa Fiseha, "Theory versus Practice in the Implementation of Ethiopia's Ethnic Federalism," in David Turton (ed.), *Ethnic Federalism: The Ethiopian Experience in Comparative Perspective* (Oxford: James Currey, 2006).

¹⁰ Christopher Clapham, *The Horn of Africa: State Formation and Decay* (London: Hurst and Company, 2017), p. 69.

Oromia and Amhara states) ebbing and flowing for the past three years. The crisis led to the resignation of Prime Minister Hailemariam Desalegn (Meles's successor) and election of Dr Abiy Ahmed the current Prime Minister in 2018. Dr Abiy released thousands of prisoners, including high-profile opposition figures, ended the state of emergency, called for dialog and reconciliation with political parties in the diaspora, reached out to different sectors of society and initiated various reforms. Ethiopia has thus felt some sense of hope about its prospects for democracy.

At the same time, there is a perception of weak federal government that is not able to ensure law and order and growing militant ethno nationalism at regional state level. Given the emerging fragmentation, ideological vacuum within the ruling party, weak institutions and the lack of clear political road map from the leadership, people are forced to ask: what holds Ethiopia and Ethiopians together? This is risky because emboldened ethno nationalism is stepping in to fill the vacuum everywhere. In view of these multifaceted challenges, this new phase in post-1991 Ethiopia has made the country's politics more hopeful but risky as well.

1.1.2 The Context of Local Level Decentralization

Ethiopia has undertaken massive political and social transformation since the fall of the military regime in 1991. Significant in this regard was the shift from a very centralized unitary system to a federation comprising of initially (1991–1994) fourteen and later nine states proclaimed in the 1995 constitution. This is referred as the first phase of decentralization that essentially focused on building the political and administrative institutions of the nine regional states. Yet five years after the federal experience, given Ethiopia's geographic and population size, the establishment of the states was not enough to bring government closer to the people. Regional states remained the focus of the new political dispensation but decentralization further to the local level remained a challenge. Motivated by intra-party crisis, district-level decentralization program and the desire to tackle poverty at the local level through empowerment and enhancing participation at the local level, another milestone development was the reform at regional state level in 2001 to amend the regional state constitutions to further devolve power from the states to local governments.¹¹

¹¹ Tegene Gebre-Egziabher, "Introduction", in Taye Assefa and Tegegne Gebre-Egziabher (eds.), *Decentralization in Ethiopia* (Addis Ababa: Forum for Social Studies, 2007), p. 2.

The second phase of decentralization was followed by concrete steps from the regional states (and indirectly from the federal government) to effect the transfer of power from the states to local governments. This included among others enacting enabling legislation for local governments, transfer of funds from regional state to local governments (largely unconditional block grants based on formula), reducing the powers of regional state and zones and building the institutions of local governments.¹² The decentralization process was thus in steps: it involved transfer of power initially from one to nine centers and later to an estimated 810 local units that exist below the states. The aim of such second step decentralization¹³ is first to address local demands and preferences – including the provision of basic services. This was based on the assumption that local governments were better informed of local preferences than the distantly located central or provincial government thus reducing bureaucratic load. Enhancing local-level development efforts and tackling poverty at the local level was its second objective. Thirdly, it is related to the democratic and autonomy argument that is to bring government closer to the people¹⁴ enhance local-level public participation in elected and locally accountable bodies as well as allow such units some measure of autonomy to decide things for themselves. In other words, it is about popular control of local governance. Fourthly, as local governments in many developing countries were introduced in response to central government failure to deliver, another key justification of decentralization is “to enhance the legitimacy of government power.”¹⁵ The argument goes “if government can perform closer to the people it is meant to serve, the people will get more out of it (government becomes efficient, responsive and accountable) and be more willing to accept government authority.”¹⁶ Often, combination of these factors explains the new interest in decentralization.

12 *Ibid.*

13 For the broader goals of decentralization, see Jim Chandler, *A Rationale for Local Government*, 36 *Local Government Studies*, no. 1 (2010), 5–20; Anderson Lidstorm, *The Comparative Study of Local Government Systems- A Research Agenda*, 1 *Journal of Comparative Policy Analysis: Research and Practise*, no. 1 (1998), 97–115.

14 Christopher Beshara, Casey Downing and Mathew Holdbriech Poonam Singh, *Decentralization in Unitary States: Constitutional Frameworks for the Middle East and North Africa* (Center for Constitutional Transitions, IDEA and UNDP, 2014), pp. 27–28.

15 S. White, *Government Decentralization in the Twenty-First Century: A Literature Review* (Washington DC: Centre for Strategic and International Studies, 2011).

16 *Ibid.*

2 Decentralization: Concept and Substance

There is a lot of use and misuse of concepts of decentralization and local government in the literature.¹⁷ Traditionally, decentralized systems within unitary states are compared with federations. In general, decentralization refers to the transfer of power from the center to sub state units. However, the transfer of power may or may not have constitutional backing. In decentralized unitary systems, the transfer of power from the center to local governments is not necessarily entrenched in a constitution. Local governments are often creations of the center by a statute and are thus subordinate to it.¹⁸ The arrangement presupposes the existence of central authority, which may for one reason or another transfer a portion of its authority to the local governments but such transfer is subject to unilateral withdrawal, amendment or revocation by the center. The center's decision to end the local units merely requires the passage of legislation.

In a federation on the other hand, the division of power is constitutionally guaranteed and the states are not creations of the federal government. Both the federal government and the states derive their authority from the federal constitution and as a result neither level can change the terms of the compact as enshrined in the constitution. There is thus an important difference between the two types of transfer of powers. Decentralized unitary systems do not have the legal safe guards necessary to curb undue political interference on their autonomy from the center.¹⁹ When the transfer of power takes the form of a federation entrenched in a constitution, the federal government cannot interfere on the list of powers transferred to the states. Besides, there is often a legal guarantee in the constitution that protects the mandate of the states when encroachments materialize.²⁰

While older federations such as the United States, Switzerland and Canada remained silent making local governments creations of the states, post WWII federal constitutions such as the German Basic law of 1949, South Africa's post-Apartheid constitution and India's 1992 73rd and 74th amendments to its constitution have included the powers and status of local governments thus giving local governments an entrenched status. It has thus become common to speak of

¹⁷ For the different meanings on decentralization, see Bockenforde (2011, p. 4).

¹⁸ Ronald Watts, *Comparing Federal Systems* (3rd ed., Montreal and Kingston: McGill Queen's University Press, 2008), p. 9.

¹⁹ Markus Bockenforde, *A Practical Guide to Constitution Building: Decentralized Forms of Governments* (International Institute for Democracy and Electoral Assistance, 2011), p. 7.

²⁰ Watts, *supra* note 18.

a “multilevel government” in federations.²¹ Thus, local governments could also be constitutionally entrenched. Their autonomy is backed by the constitution and they enjoy some element of political, administrative and fiscal autonomy over the powers allocated to them by the constitution.

When local governments are constitutionally entrenched or when they enjoy political autonomy in practice, as manifestation of their autonomy they often tend to have elected institutions. It means there is transfer of political power to self-governing elected democratic institutions such as villages, municipalities and districts.²² “Local institutions of democracy are the most accessible locations for political skills to be acquired and practiced and that local democracy not only provided greater opportunities for political participation but also is an instrument of inclusion.”²³ This fits well into the argument that “local governments are embodiments of local democracy.”²⁴ Politics becomes accessible to the local people and local governments come to be arenas for political participation of the citizen at the grass root level. They serve as instruments for empowering the local population through direct or indirect participation. Local governments provide avenues to the citizen for engagement in public affairs at the local level. Such institutions allow the voter to influence policy and decision-making at the local level to determine the nature and quality of services to be provided at the local level. In the autonomy model, local governments thus become agents of the voter and not of the upper level. Elected institutions serve as a representative and deliberative body with responsibility for approving local laws, regulations, for scrutinizing the local executive and for approving budgets.²⁵ Of late, a new concept called “city deal” has been coined to ensure local-level autonomy and economic growth.²⁶ City deal is a partnership between the different levels of governments, the community and the private sector that shifts decision-making away from the higher level to local governments with higher level governments merely playing a coordinating role. The different actors at local level develop

21 Nico Steytler (ed.), *The Place and Role of Local Government in Federal Systems* (Konrad-Adenauer-Stiftung, 2005), p. 8.

22 Bockenforde, *supra* note 19, p. 2.

23 John Stuart Mill quoted in the work by Ryan and Woods (2015, p. 9).

24 L. Pratchett, *Local Autonomy, Local Democracy and the New Localism*, 52 *Political Studies*, no. 2 (2004), 359.

25 Elliot Bulmer, *Local Democracy*, Primer 13, International Institute for Democratic and Electoral Assistance (2017), p. 4.

26 Peter O’Brien and Andy Pike, *City Deals, Decentralization and the Governance of Local Infrastructure Funding and Financing in the UK*, 233 *National Institute Economic Review* (2015), 14–26.

a shared vision and design an inclusive local government that enjoys autonomy and unlocks local-level potential to accelerate economic growth and job creation. The framework of local government deal informs that autonomy and the engagement of multi stake holders at local level play vital role in enhancing the role of local governments for development and service delivery.

2.1 The Substance of Decentralization

2.1.1 Powers of Local Governments

The autonomy of local governments depends on the substance of power transferred to them either through a constitution or enabling laws (law on decentralization). These powers may be local government “own” powers or delegated ones from either the federal or state governments. It is the allocation of these powers and the competence of local governments to exercise such powers that contributes to the role and significance of local governments in achieving their goals.²⁷ In this regard one observes two possible types of transfer of power from the center to the sub units.²⁸

2.1.2 Political Decentralization (Devolution)

A local government with political autonomy transferred to it either by constitution or enabling law enjoys possibly the highest autonomy among the possible types of decentralization. The most extensive form of transfer of power often encompasses political, administrative and fiscal transfer of power to a sub unit and empowers the subunit to elect its leaders as well as ensure some element of policy autonomy that enables the sub unit to design its own policies and development priorities in a manner that fits its local context. This type of local government resembles a genuine self-governing unit where real competences are transferred to it.

In terms of monitoring and supervision by higher level, self-governing local governments have least interference. It is also possible that the sub unit may have the autonomy to elect its leaders but enjoy only the mandate to implement laws and policies of the higher level and thus does not enjoy policy autonomy. In both cases however, the local government has elected law making, executive

²⁷ Steytler, *Supra* 21, p. 6.

²⁸ Bockenforde, *supra* note 19, pp. 18–22.

and possibly judicial organ. As a manifestation of its political autonomy, local government has also the mandate to generate revenues to be able to cover at least some of its expenditures at the local level.²⁹ Political decentralization often leads to “active citizen involvement and voice in the formulation and implementation of public policies,”³⁰ at the local level. It is also argued that political decentralization leads to a more responsive and accountable government at the local level. The actual state of these claims of local governments will be investigated in the relevant sections of the case study.

2.1.3 Deconcentration

The second type of transfer of power may take the form of deconcentration. Deconcentration refers to a form of transfer of responsibility from the center to sub units that for all intents and purposes are branches of the center which owing to geographic or population size must be open in different geographic centers. It is very much related to the administrative side of decentralization without including transfer of political power to a sub unit.³¹ There is no actual transfer of power as the center retains its mandate over the matter. Nor do the “sub units” have elected bodies or mandate over substance of policies.³²

3 Constitutional Status of Local Governments

3.1 Status of Local Governments

The federal constitution hints the various levels of government that should exist at state level. It states that “state governments shall be established at state and *other administrative* levels that they find necessary. *Adequate power shall be granted* to the lowest units of government to enable the *people to participate directly* in the administration of such units.”³³ As can be gathered from the minutes of the Constitutional Assembly, there was a heated debate as to whether

²⁹ Bulmer, *supra* note 25, p. 3.

³⁰ S. Chattopadhyay, *Decentralized provision of Public Service in Developing Countries: A Review of Theoretical Discourse and Empirical Evidence*, 43 *Social Change*, no. 3 (2013), 426.

³¹ Wanyande, *supra* note 1, 5.

³² Bockenforde, *supra* note 19, pp. 18–22.

³³ See The Constitution of Ethiopia Article 50(4).

the federal constitution should prescribe all the hierarchies of the levels that should exist at regional state level. In the end a compromise was reached. On the one hand, the framers of the constitution agreed that in light of the existing diversity in size and population among the states and in order to give effect to the autonomy of the states, the setting of such details should be left to the states. On the other hand, they thought it is necessary to state the fact that however diverse the position of local governments may be, local governments should be granted “adequate powers.” It was agreed that the local governments should not merely be agents of the state governments but should have some level of autonomy.³⁴ This is further reinforced in article 88(1) of the constitution which stipulates “guided by democratic principles, Government shall promote and support the peoples’ self-rule at *all levels*.”

As a result, except for the general power stipulated under Articles 50(4) and 88(1), the determination of the scope of powers and autonomy of local governments has largely been left to the states and several state constitutions have elaborately designed sub-state entities in their constitution. This happened particularly following the major project of state constitutional reform in 2001/2002. As will be illustrated later, the states have used the gap in the federal constitution to design subordinate local governments.

3.2 Regional State Constitution (1995): Powers and Institutions

At a formal level, the Tigray regional state constitution tends to reflect the autonomous model of local government. The regional state constitution Articles 71–82 stipulate details about local governments established below the regional state. Article 72 of the regional state constitution provides that weredas (districts) shall have an elected legislative council which is “the highest government organ” in the wereda, an administrator who is elected from among the members of the legislative council, an executive nominated by the administrator and approved by the legislative council and a judiciary. This institutional arrangement makes it clear that population at the local level is entitled to participate in the election of its leaders. Consistent with the parliamentary principle, the wereda legislative council is also empowered to exercise oversight over the activities of the administrator and the wereda executive. The administrator and wereda executive are

³⁴ *Ye Ethiopia Hige Mengist Gubae Kale Gubae v. 4* Hidar 14–20, 1987 E.C. (Minutes of the Constitutional Assembly November 1994: Addis Ababa, unpublished) discussions on Art. 50 clarify that local governments need to be autonomous units, not agents of higher bodies.

thus in principle accountable to the wereda legislative council while the latter remains accountable to the electorate at the local level. Accordingly, local government is regarded as a form of decentralization if it has democratically elected body that is also accountable to their constituencies at the local level.

In practice, each wereda has its own elected council comprising 120–300 members.³⁵ At a formal level, wereda legislative council also invites representatives of different sections of society such as women, business community, teachers association, youth, elders and leaders of religious institutions in the wereda.³⁶ Yet except members of sub committees³⁷ (roughly 20–35 in total), most members of wereda legislative council are rural peasants not working on full time capacity and often are busy in their daily life, not paid and largely illiterate. They do not also sit permanently. Only committees have offices and work permanently representing the council. Committees undertake the supervision and oversight over the activities of the executive. Many wereda legislative councils do not also have their own buildings and are forced to conduct their routine functions in hotels or leased buildings. This is symbolic in the sense that local governments are supposed to have their own buildings and symbols that reflect the unique context of each locality. Yet two decades and half after the federal process, building the institutions of local governments remain a big challenge. In reality therefore wereda legislative bodies are very weak and not able to ensure effective oversight and accountability. As a result, wereda executive and municipalities led by mayors are often perceived as powerful and not accountable institutions to councils. While in theory these organs are elected and remain accountable to the elected local council, in terms of party structure, wereda administrator, mayor and sector heads are often senior compared to members of the legislative body and thus the latter has difficulty ensuring the former's accountability. Juniors cannot hold accountable their political seniors. As will be explained later, this implies that local governments are as such not embodiments of local democracy as there is a thicker vertical accountability of local government institutions to

35 Ahferom (in central zone) and Hintalo Wajirat (in South Eastern zone), both rural weredas are the most populated Woredas with higher number of elected councils close to 300 members.

36 In total, they constitute 30% of the size of the legislative council and are non-voting members. They are not elected but the council invites them in its regular sessions.

37 Most wereda legislative councils have the following committees that assist in the supervision process: legal and security affairs, budget and audit, social and economic affairs, women affairs. Each committee supervises the relevant wereda sector office. As members of the wereda legislative council do not permanently sit and are often busy managing their own life, the committees are the main body actively engaged in monitoring and supervision over the activities of the executive.

higher level (zones and regional government through party structure) but a thin horizontal accountability to councils.

Despite such limitations however, local governments have done very well in the area of education. Under Ethiopian federal system, the general trend has so far been, higher education is the mandate of the federal government while high school and primary education (grades one to eight) fall within the regional state.³⁸ At regional state level, local governments have the mandate with respect to primary education. The regional state exercises mandate over education standards and grades from nine to twelve. Ethiopia has shown impressive progress in the education sector. The government allocates 30% of its budget to education, the highest in Africa.³⁹ Access to education plays pivotal role in the fight against poverty and in promoting social well-being.⁴⁰ Local governments play a key role in providing access to education at primary level. By the time the EPRDF government assumed power in 1991, access to primary education was not more than 37% of each age cohort that wanted to join grade one. It was one of the lowest in the world. By 2017, net enrolment rate in primary education in Tigray regional state has reached 96% (higher than the national average 83%).⁴¹ By 2009, the number of school children enrolled in primary school (1–4) in Tigray was 574,037. By 2015, the number was 801,981. In the second phase of primary school (5–8), there were 408,735 students in 2009. This number went up to 455,314 in 2015. The number of primary schools has grown from a few hundred in 1991 to 2,207 while the number of high schools went up from not more than 10 in 1991 to 265 by 2017.⁴² Local government manages primary schools in the regional state and plays a key role in enhancing access to education. This is one of the important indicators where local government plays a key role in service delivery.⁴³

While the regional state constitution did not initially make any difference between rural and urban local governments, lately a new law makes such important distinction. Previously, urban local government was subsumed within woreda

38 See Article 5 (1) of the federal Proclamation No. 650/2009, higher education proclamation 15th year No. 64, Addis Ababa, September 17, 2009. The same proclamation Article 5(2) allows states to have higher education institutions subject to standards set by the federal government.

39 Education in Ethiopia: Strengthening the Foundation for Sustainable Progress (Washington D. C. The World Bank Group, 2005).

40 See Education Statistics Annual Abstract 2015/2016, Federal Democratic Republic of Ethiopia, Ministry of Education June 2017 (available with the author).

41 *Ibid.*

42 See Report of the regional state Education Bureau (2018, unpublished, available with the author).

43 Quality of education however remains a major concern throughout the regional state.

and served as seat of woreda government with some municipal function and little autonomy. As the ruling coalition claimed its legitimacy and support from the rural population and the peasants, growing unemployment, lack of sanitation and provision of basic services in urban areas were given less attention.

It was in this context that regional state proclamation number 47/2001 was enacted establishing 12 urban local governments⁴⁴ increasing the number of local governments in the regional states from 35 to 47. To be sure, urban local governments need a different organizational structure that suit their context in terms of delivering basic urban services such as city development and master plan, urban land management and development including the administration of lease of land. Roads and bridges, vital statistical services (registration of birth, marriage and death), green area, traffic regulation, street lights, sewerage and sanitation, ambulances and fire brigade, public transport, parks and recreation areas and the like are appropriate functions to urban local government. Regulation of municipal services and fees, issuance and transfer of title deeds in relation to buildings, provision of basic services such as water, roads, electricity remain not only critical services but also main source of revenue.

It was thus appropriate to distinguish rural and urban local governments. Regional state Proclamation numbers 107/2006 and 276/2017 further elaborated on the mandates and status of urban local governments expressly stating that urban local governments would ensure good governance, provide efficient and quality services, self-government and citizen participation in the city affairs, ensure accountability of mayors and sector heads to residents of cities and serve as centers of development.⁴⁵ To this effect, the latter law established urban institutions responsible for preparing and implementing plans and policies for the development of the city. It established elected city councils that in turn appoint a Mayor from among the members. The Mayor remains the key executive body who leads the city executive. The Mayor is also required to appoint a city manager who runs municipalities, an expert and specialist in the management of cities. Yet municipalities are in practice led by political appointees, not by expert managers. Article 37 of the regional state proclamation 276/2017 stipulates that in the bigger cities with inhabitants of fifty

⁴⁴ See regional state proclamation number 47/2001, a proclamation to amend proclamation number 10/1995, 10th year number 4 Hidar 7/2001. The new urban local governments included Alemata, Korem, Maichew, Kuha, Wikro, Adigrat, Adwa, Axum, Shire Enda Selassie, Aby Adi, Sheraro and Humera cities.

⁴⁵ See Article 11 of regional state Proclamation number 107/2006, a proclamation issued to amend proclamation number 94/2006 and proclamation 65/1991, 14th year number 14, August (*Nehase*) 30/2006.

thousand and above, the mayor or administrator is authorized to submit a nominee for the position of manager (with relevant professional expertise, educational background both of which are not specified) to the elected council and upon approval appoint him/her. As running municipalities require special expertise, the position of the manager should have been merit based and open for competition. Like the administrator of rural local government, the Mayor has a double accountability: to the elected council and to the regional state president (vertical and horizontal).

While distinguishing urban and rural local governments was vital in the process of regulating local governments, there is however a major problem that one observes in relation to access to basic municipal services in the cities throughout the regional state. While the major cities other than the capital (Makelle) have an estimated population of roughly eighty to one hundred thousand population, there is only one municipal center in each city. Land development, management and administration, provision of basic services such as water, roads, electricity, issues related to transfer of title deeds on buildings, building permit licenses and design works, payment of compensation to evicted peasants owing to expansion of urban territory remain very delicate issues that municipalities have not yet been able to deal with efficiently.

Land, land management and provision of compensation to evicted rural peasants owing to urban expansion remain a thorny issue in municipalities. In principle, municipalities have the mandate to allocate land for development (for residential quarters, industries, small-scale manufacturers, shades) through lease. Nearly 85% of service-related complaints in municipalities are related to land and management. In February 2017, some eleven thousand cooperative associations were provided land for construction of residential houses to civil servants in Makelle. The price per square meter to determine the compensation to land holding peasants was 2.30 (two birr and thirty cents) while the market price (when leased) was somewhere between 4,000 and 8,000 per square meter.⁴⁶ In the urban municipalities that were subject of the study in May 2018 (Kuha, Hagera Selam, Adwa and Axum), as a result of the urban expansion, rural peasants who were evicted from their land holdings were compensated on average one hundred to one hundred fifty thousand birr at a rate of 24–38 birr per square meter regardless of family size.⁴⁷ The amount of compensation is certainly the main source of discontent as there is little that the family could do with such sum of money. In many cases, the compensation is also not paid at once and not in due time. Peasants are also not provided with alternative way of

⁴⁶ *Sergean* (Tigrigna Magazine (2017).

⁴⁷ Focus group discussion held in the mentioned cities in May 2018.

life. The law requires that those who won the lease bid would enter into contract with the local municipality and utilize the land as per the contract. The municipality is required to provide basic infrastructure and key services such as water, electricity and road. Yet, municipalities in the region simply lease the land without ensuring those required basic services are provided. As a result, investors are not able to utilize the land as per the agreed time because of lack of municipal services. Land developers are not able to utilize the land because of lack of basic infrastructure such as water, roads and electricity. On one hand, peasants are evicted from their land holdings and thus cannot anymore farm it. Urban expansion and the urban–rural nexus are thus a growing source of discontent in nearly all urban municipalities in Tigray.

As a result of government efforts to improve public service delivery in the last few years, municipalities provide “standards,” also called “citizen charter,” that is, number of days, hours, minutes that a particular service takes to accomplish. However, practice shows that those are mere declarations hardly implemented. There is little use of modern technology such as computers to keep record of personal files, nor are there skilled personal (for example surveyors, urban planning, IT) available owing to low salaries and municipalities requiring years of services not commensurate with the available payments. In a public consultation forum led by a senior government office holder with residents in relation to municipal services, a young man asked, “I need a non-stop and efficient supply of electricity and internet. Can your government provide this?” The question by the young man took the government officer by surprise as he was emphasizing the gains made in municipal services since 1991. Each municipality is therefore not able to provide basic services to the fast growing population including a booming youth. Municipalities also suffer from lack of skilled and necessary man power and decent buildings to run their activities. Perception of corruption is also very high.⁴⁸ As a result, there is a growing discontent in the cities. This is a paradox given the fact that this is happening in the context of ever growing local government budget and in the presence of many university graduates who are looking for jobs. There is thus an urgent need to decentralize the municipalities in each urban local government further to several sub cities or delegate some of the municipal services to sub municipalities (for example, collection of fees) to address the growing discontent and to be able to deliver basic and essential services efficiently.

48 Detailed report on the state of corruption at municipal level is not easily to find but ordinary citizens’ opinion in the areas covered in the study indicate it is a major problem.

3.3 Autonomy of Local Governments

In terms of the autonomy at the wereda level, Article 72(2) in particular provides that “each wereda is a *self-governing unit* mandated to autonomously decide its internal affairs including to deliberate upon and approve plans and programs with regard to economic development and social services.” In other words, local government have the autonomy to decide on internal affairs including economic and social development at a local level. It is also empowered to implement laws, policies, regulations and directives issued by the regional state. Beyond ensuring the autonomy, these clauses ensure some element of policy autonomy and broad implementing mandate to weredas. While it is very rare to find wereda legislative council enacting a law or policy, some councils enact directives (*sirit* in Tigrigna) regulating protected areas such as forests and environment, proper use of irrigation schemes on rivers, grazing land at local level, directives that discourage traditional practices such as extravagant celebration of marriage.⁴⁹ As will be illustrated later, the mandate to implement laws, policies, regulations and directives of the regional state remain visible in the day-to-day activity of the wereda. This begs the question whether the autonomy envisaged exists in reality or not, a question addressed in the next sections.

Following the TPLF party crisis in 2001,⁵⁰ two significant developments emerged that had impact on the autonomy of local governments and on the vertical relationship between the regional state and weredas. The 1995 regional state constitution was revised and the status and powers of weredas were defined elaborately. Yet this was an incomplete process. Former defense Minister and senior political figure of the TPLF Siye Abraha’s constituency in Tembien, a historic sub-province (*Awraja*) (birth place of Emperor Yohanes and Ethiopia’s prominent war hero *Ras Alula*), now a wereda in the central zone, was not happy with the way the party and the government managed the crisis in the party and the process of *tehadiso* (renewal). The weredas considered the act of the regional state as undue interference in its autonomy. The then new regional state governor (Tsegay Berhe) and senior party members visited the wereda in an

⁴⁹ For example, wereda council of Tahtay Koraro enacts such *Sirits*. Interview with the speaker of the Council February 7, 2018, Shire.

⁵⁰ Following the invasion of Badime by Eritrea, an all-out war broke out between Ethiopia and Eritrea and Ethiopia expelled the Eritrean army. Yet, the then Prime Minister of Ethiopia Meles Zenawi has been accused by his comrades of “being soft” on Eritrea which led to internal party crisis and dismissal of senior members of the TPLF by Meles. One of those dismissed was Gebru Asrat, the then president (governor) of Tigray Regional state who was also speaker of the regional state legislative body. Meles’s first reform was to initiate regional state constitutional amendment that established speaker for each regional state legislative body, separate from the governor.

effort to sort out the issues. Yet, the wereda did not concede and this was understood as a misuse of wereda-level political autonomy. This was unprecedented in the experience of the party and thus called for a more rigorous system of control and accountability on weredas to the higher level. The regional state thus amended the constitution for a second time and proclaimed:

If the wereda becomes a threat to the constitutional order or if the wereda administrator is not able to ensure law and order at local level or is not able to discharge the mandates stipulated in the constitution, the regional state legislative body may dissolve the wereda legislative council or the wereda executive and establish a care taker administrator.⁵¹

The regional state president was mandated to take over the powers of the wereda, implement the regional state legislative body's decision, organize and lead the caretaker administration and set its tenure until a new wereda government is elected. The regional state thus reserved broad mandates to intervene and dissolve institutions of local governments. Comparative experiences indicate specific grounds for higher level institutions of government to intervene in the affairs of local government, for example, when local-level institutions fail to censure or impeach local executive and as a result become grossly incompetent, service delivery is imperiled, there exists abuse of power or commit crimes.⁵² Yet, the wording of the regional state constitution is very vague and could be open for manipulation and misuse.

More importantly, Article 82 of the constitution brought a new element of vertical accountability to the wereda administrator in addition to his accountability to the wereda legislative council. It is stipulated that the wereda administrator would be accountable to the regional state president. It should be noted that the 1995 constitution emphasized the accountability of the administrator and the wereda executive to the wereda legislative council. Local democracy envisages that elected councils and the executive at the local level remains accountable to the people at the locality for the proper exercise of their mandates. This line of accountability establishes strong links between the officials

⁵¹ Regional state constitution as amended, Article 73(4). Proclamation number 98/2006 Article 58 further elaborates on the mandate of the regional state to suspend the wereda administrator if he/she commits an act that is a threat to the sovereignty of the country or regional state, security and national interest or is a threat to the constitutional order or commits corruption. Article 18 of the regional state proclamation number 107/2006 provides similar details on the power of the regional state to dissolve urban local governments. Proclamation number 107/2006 a proclamation issued to amend reestablishment of urban local governments, proclamation number 94/2006 and proclamation 65/2001, 14th year number 14, *Nehase* (August) 30/2006.

⁵² For comparative insights, see Article 162.6 of the constitution of Belgium and Article 139 of the South African constitution.

and the people at the local level. By creating a political bond between the voter and the administrator, it provides the voter at the local level a direct opportunity to exert influence on the leadership at the local level.⁵³

The regional state's broad mandate to intervene and dissolve local governments and the introduction of strongly worded upward accountability brings a new dimension to the dynamics of local-level decentralization. Similar system of vertical accountability has also been introduced on mayors in urban local governments. The wereda chief executive and the mayor have thus dual accountability: weak/thin horizontal accountability to the legislative council at local level and thicker vertical accountability to the higher level. While both remain chief executive bodies at the local level, they also receive instructions (formal or informal through the party channel) from the zones and the regional state. For instance, regional state proclamation number 99/2006 Article 55 stipulates that the regional state executive body ensures that each wereda is discharging its mandates as stipulated in the regional state constitution and other laws. It is also the responsibility of the regional state executive body to ensure that regional state development plans and strategies, laws, policies, directives as well as mandates of the weredas as defined by the constitution and this law are implemented and discharged in each wereda.

In terms of party positions, the heads at the zones (see next sub section) and regional state are political seniors compared to the wereda administrator and the mayor. The latter are subject to the influence of senior party figures at the higher level. Decisions made at the local level can also be vetoed or reviewed by zones and the regional state. As a result of the legal and political developments elaborated above, there is thus a thicker vertical line of accountability of local governments to zones and regional states compared to the weaker/thinner horizontal accountability to elected councils at local level. Thus the state of decentralization in reality resembles a mix of both decentralization and deconcentration, a setback on the autonomy of local governments.

3.4 Zones: The Invisible Elephants

Although not expressly mentioned in the revised regional state constitution, an intermediate body between the regional state and the weredas called zones play a critical role in the political process. Indeed, it is very difficult to capture the essence of local-level decentralization (centralization) without understanding the role and function of zones. Interestingly, the regional state constitution (Article

⁵³ Bulmer, *supra* note 25, p. 4.

45) while elaborating on the number and level of governments in the regional state mentions the regional state, weredas and kebeles (the lowest local governments below the weredas) only. Zones are not mentioned in the constitution. There is however a vague clause in the same article which stipulates the possibility for the regional state to establish other levels of governments. Nevertheless, it is vital to note zones are not expressly established in the regional state constitution.

In practice however, zones are established as deconcentrated units below the regional state but above the weredas. There are seven zones (North Western, Western, Central, Eastern, South East (Enderta, Hintalo Wajirat, Seharti Samre, Doga Tembien), Southern and Makelle special zone)⁵⁴ in the regional state. Each zonal administrator and other members of the zonal administration are appointed by the regional state president after approval by the regional state legislative body. They are accountable to the regional state executive body. In terms of political stature, zone administrators are members of the central committee of the ruling party and more senior and influential than officials at wereda level. Zones do not have elected councils and are part and parcel of the regional state executive.⁵⁵ At a formal level, their mandates include the coordination of the activities and different sectors of the wereda, support, follow-up and coordinate activities of the departments within the zone, submit periodic reports on the activities of the zonal administration and the weredas under it to the regional state president through the administrator and ensure the proper implementation of policies, laws, regulations and directives of the regional state in the weredas.

In practice however, zones as deconcentrated units of the regional state executive and the president, support, supervise and monitor the activities of the weredas under them. In particular as prime actors in the party machinery, they ensure that current issues and priorities identified by the party are given priority in the wereda and lower echelons of administration. As senior political figures who act on behalf of the regional state, they are actively engaged in the routine

54 See Articles 4–6 of regional state Proclamation Number 48/2001, a proclamation to re-establish Zones in Tigray National Regional State, 10th Year No. 5, November 2001.

55 Makelle was initially given a special zone as it is seat of the regional state capital. Proclamation 223/2012 later restructured the city, maintained the city legislative council but established seven sub cities with their own elected bodies, an executive and sub city courts. The Mayor is elected from among the members of the legislative council but once elected he leads the city along with the other executive body appointed by the legislative body. The City has an estimated 400,000 residents. See Proclamation Number 18/1996, a proclamation to Establish a Special Zone for Makelle 4th Year No. 18, July 1996; also proclamation number 223/2012, a proclamation issued to restructure Makelle city 19th year number 12 *Sene* (June) 28/2004.

functions of the wereda. Zones coordinate, support and supervise weredas routinely on a weekly basis at times even daily. It is an institution with teeth, invisible at a formal level but the elephant in the hierarchy of institutions in the regional state. This erodes the autonomy of local government in the regional state.

The overall indication shows that wereda legislative council are thus rubber stamps that approve appointments only after the party and executive organs in the different hierarchies decide the screening process. As Erk pointed out, where local elections are routinely held, the workings of local governments in a one-dominant-party system are dictated not by local concerns but by higher level party interests.⁵⁶ Ethiopia seems a prime example where the EPRDF's iron grip on all subnational governments has not produced local accountability, the core element of devolved democracy but vertical political hierarchy. What this means to the already existing relationship between the zones and weredas is also of interest because zones will continue to supervise the weredas. It also raises the issue of whether maintaining the zones has any relevance given the fact that they are not in the regional state constitution and some of their powers have been taken away by the regional state. In several of the interviews conducted in the weredas, it was pointed out that this new centralized screening and appointment process not only takes away mandates of the local governments but adds more complication and long bureaucratic hurdles.⁵⁷ A possible way out is to strengthen the system of monitoring and supervision mandate of the regional state as well as the wereda legislative council and dissolve the zones altogether. The ideal of local government deal mainly aims at empowering local-level actors.

3.5 Making and Unmaking of the Boundary of Local Governments

Constitutionally backed local government autonomy with some of their powers defined in the federal constitution implies that such units have institutional security to exist as a sphere of government as they are neither created nor abolished by the discretion of the states or the federal government. "There should be a clear criteria and transparent procedures, involving the concerned community, for creating individual units of local government and delimiting

⁵⁶ Jan Erk, *Iron Houses in the Tropical Heat: Decentralisation Reforms in Africa and their Consequences*, 25 *Regional and Federal Studies*, no. 5 (2015), 413.

⁵⁷ Focus group discussions held with experts and sector heads in Endaba Guna February 7, 2018, Adwa February 22, 2018, Kiha (May 15, 2017).

their boundaries.”⁵⁸ The South African Constitution even goes one step further and establishes an independent municipal boundary demarcation board which is authorized to deal with issues relating to alteration of local government boundaries.⁵⁹ There may be need to adapt or change, for example, on the number, size and basis for establishing local governments but that is done on a principled basis, not on the arbitrary decisions of the federal or state-level executive. The making and unmaking of local governments including their institutions and boundaries remain a key aspect of local government autonomy and the need to set some agreed upon principles at a constitutional level remains important.

Nevertheless, as noted above, neither the federal nor the regional state constitutions stipulate guidelines for making or adjusting the boundary of local governments. Tigray had historically eight *awrajas*⁶⁰ during the Imperial era. Nevertheless, owing to the 1943 *Weyane* Protest, Emperor Haile Selassie slashed part of Southern Tigray by way of punishment and gave it to his heir and son Asfaw Weson Asrat who was governor of Wello province.⁶¹ Part of western Tigray was also slashed and taken by Emperor Menlik in 1894.⁶² By 1991, the regional state established some eighty one weredas. Yet proclamation 10/1995, a proclamation enacted to establish weredas in the regional state, amalgamated several weredas and reduced their number to thirty five based on the argument that there are limited resources and those resources have to be used solely for ensuring development by reducing administrative costs.⁶³ This was understandable given that establishing local governments would need massive investment. It was done during the early phase of the decentralization process where the

58 Zemelak Ayitenew, “Local Government and its Institutional Security within Ethiopia’s Federal System”, in Asnake Kefale and Assefa Fiseha (eds.), *Federalism and Local Development in Ethiopia* (Addis Ababa: Centre for Federal Studies, 2015).

59 South African Constitution (1996) 155 (3) (b).

60 *Awraja* in historic Ethiopia were intermediary bodies between provinces and weredas. The names of the eight *awrajas* were Raya (Michew), Enderta (Makelle), Kilde Awlaelo (Wukro), Agame (Adigrat), Adwa, Tembein, Axum and Shire.

61 John Markakis, *National and Class Conflict in the Horn of Africa* (Addis Ababa: Shama Books, 2012), p. 266.

62 Following the death of Emperor Yohanes IV in Metema and subsequent coming to power of Menelik II, the new Emperor (Menlik) called disgruntled Tigrayan *rases* to his palace and on June 6, 1894 “demanded that Tselemti, hitherto governed by Ras Hagos, be transferred to Empress Taytu ...” as a condition to acceptance of Showan hegemony see Haggai Erlich, *Ras Alula and the Scramble for Africa: A Political Biography- Ethiopia and Eritrea 1875–1897* (Lawrenceville, NJ: The Red Sea Press, 1996), p. 187.

63 Interview with former bureau head who was involved in the process of amalgamation, March 15, 2017, Addis Ababa.

country was just coming out of years of civil war that ravaged it. There are very vague indicators under Article 49(3b) of the proclamation which hint that population⁶⁴ and geographic size as well as socio economic factors were taken into consideration but these were far from clear. For example, what size of population constitutes a wereda is not expressly specified in the law. Given the regional states topography and geography, the law does not also consider administrative convenience and access to basic services as factors. Among the core causes of the civil war was also the idea of bringing government closer to the people. A popular song during the early phase of the civil war in the 1970s echoed “Showa a faraway province is too remote to administer Tigray.” Guided merely by the idea of using limited resources for development and reducing administrative costs, the law amalgamated two and at times three previous weredas in to one and established a new wereda.⁶⁵

Significant in relation to rural local governments is the enactment of regional state proclamation number 99/2006 where Articles 5 and 6 provided detail indicators and principles that should be taken into account in the process of establishing, merging, amalgamating, splitting or adjusting the boundary of local governments. Article 6 in particular outlines (a) access to basic services and administrative convenience (access and proximity to basic services at the local level being one of the key factors for decentralization), (b) economic viability and revenue potential (the availability of enough tax base to make the local government fiscally viable), (c) population size (a certain amount of minimum is often required and is linked with democracy), (d) local level participation, (e) geographic location, historic and cultural ties (whether to use preexisting boundaries or redraw new ones depends on the goals the designers of decentralization have in mind⁶⁶) and (f) consent of the people concerned should be taken into account.

The law requires that a body composed of the regional state bureau of finance and economic development, security and administrative bureau, land administration must, based on the above indicators, conduct a thorough study and provide its findings to the regional state legislative body for decision.⁶⁷

64 In general, the criterion is a wereda is inhabited by one hundred thousand people but urban weredas were much less populated than rural weredas.

65 See for details the annex of proclamation 10/1996 for the list of the new and old weredas.

66 If empowering distinct communities and minorities is the goal then boundaries may have to be redrawn with a view to ensuring communities right to self-government. Decentralization may also have other goals such as provision of services at the local level than ensuring community rights.

67 In some countries like South Africa, the legislation on decentralization establishes an independent bodies of experts (in geography, history, economics, political science, public law) to provide a proposal after consulting with the people to a political body such as the

In doing so, this body is required to secure the opinion of the wereda legislative body. As local government boundary is a tool for self-government, boundaries should not be changed without advice and consent of the elected body at the local level. In ideal cases, local boundary adjustments require approval by the local people in a referendum to protect the territorial identity of the local community from amalgamating or dividing the local people against its wishes.⁶⁸ What is interesting in this regard is that despite the notable development in the substance of the law, no major adjustments were made on the boundary of the existing weredas despite series of demands to that effect. Two decades and half, local communities in several parts of the regional state have found “development and reduction of administrative cost” argument outdated and demanded adjustment to address new developments. Historical claims,⁶⁹ maladministration, claims for access to basic public services, bringing government closer to the people and administrative convenience being the top mobilizing factors are presented by the local communities. Communities are demanding to have access to basic public services from a local government that is closer to them.

Symbolic in this regard is the widely reported “bring our wereda back” movement and peaceful demonstration of residents of Nebelet (central zone) in April 2016. Historically, Nebelet remained important since medieval Ethiopia. It had its own wereda since the beginning of the twentieth century. It lost its wereda with the change of government in 1991 as a result of amalgamation of 81 weredas of the regional state to thirty five. The residents were not happy as the reorganization caused administrative inconvenience both in terms of losing self-government and delivery of services. The current capital of the wereda Werei Leke is sixty kilometers away from Nebelet, a major cause of administrative inconvenience behind the movement for the “return our wereda” movement. “Why would one travel by bus paying fifty birr to pay ten birr tax/fee/traffic

legislative body for approval. In general, adjustment to existing local government boundaries owing to population size and increased urbanization may be initiated by the federal or state level legislative body, the executive as advised by committee of experts or by a commission of experts. It will then have to be submitted to concerned legislative body (in federations this will be the provincial level). In all cases, the population that will be affected by the changes must be either consulted or should approve it by a majority. In ideal cases, the population at the local level may approve it by a referendum (Beshara *et al.* 2014: 48).

68 Bulmer, *supra* note 20, p. 4.

69 Wajrat now constituting Hintalo Wajerat, Sahrti Samre, Selewa (now merged with Alaje), Embasenet, Egela have historically been well known weredas on their own and it is no surprise that there is more mobilization in these areas for further decentralization and reform. Interview with former President of the regional state March 15, 2017, Addis Ababa.

penalty?” was a widely circulated placard during the demonstrations in Nebelet demanding the return of their wereda currently merged with two other weredas in central zone.

Residents of Nebelet, unable to get responses from the regional states for nearly two decades, undertook a massive peaceful demonstration demanding return of their wereda and argued “a political organization or government that cannot respond to our demands is not our government” and threatened to recall their representatives at regional and federal state-level legislative bodies.⁷⁰ The local council has endorsed the demand for adjustment and the wereda administrator backed the popular demand and as this was not welcomed by the regional state and the party machinery, it led to his removal from his position. Zonal and regional state officials were however unwilling to respond to the re-establishment of a new wereda. The latter argued, once we begin responding to one then it will open “Pandora’s box”; a senior political figure explained a high risk of *Mitirtar*⁷¹ (in Tigrigna) implosion: slippery slope to endless demands for local government. Thus the conservative position of the regional state is “we are in GTP II and this will consume our meager resources destined for development.”⁷² Thus the idea of bringing government closer to the people is far from achieved in rural weredas. Despite an enabling law to that effect, regional state rigidity remains an obstacle on the way to realizing it despite clear demands.

4 Fiscal Autonomy

An essential element of local government autonomy is the ability of local governments to raise their own revenue to cover at least a portion of their expenditure. As is often said, finance follows functions and hence transfer of competencies to local governments must be accompanied by transfer of revenue raising powers to local governments along with the mandate to spend it.⁷³ Although it is nearly impossible for a local government to cover all their expenditure from its own revenue collected at the local level, the legal framework should provide some revenue raising competencies to enable it discharge

⁷⁰ See *Wirayna* (Tigrigna news Magazine) special report on Nebelet v. 35 February 2009 E.C.

⁷¹ Interview February 25, 2017, Makelle.

⁷² It led to massive confrontation between the local community and the regional state and in the end the wereda administrator was sacked by the party and the issue remains unresolved.

⁷³ Solomon Nigusie, *Fiscal Federalism in Ethiopia's Ethnic Based Federalism* (Nijmegen: Wolf Legal Publishers, 2006).

its functions. A local government that has some element of autonomy cannot depend fully on revenues generated at a higher level. In the end, the financial dependency on the higher level will affect its autonomy at the local level.

The regional state constitution does not provide details on the revenue raising competencies of the weredas. Under Article 74 (2f), it is stipulated that the wereda legislative council shall ensure the *proper collection* of land use taxes, agricultural products' income taxes and similar other taxes as determined by law. While this provision makes it clear that the wereda is mandated only to *collect but not levy* (set by the regional state law) the mentioned taxes, the same provision empowers weredas to *levy service* charges, fees and leave details to be stipulated by other laws. The provision also mandates the weredas to utilize revenues, other than those allocated and administered by the regional state, for its own.

Proclamation number 98/2006 however outlines details on the revenue sources of local governments in the regional state. First, by virtue of Article 56 of this proclamation, the regional state is bound to allocate the necessary budget to the weredas to be able to discharge their functions. The allocation of such annual budget to the wereda is based on population size, level of development of the wereda, revenue collecting capacity and potential, expenditure need as well as recurrent and capital expenditure financial management, financial discipline and audit record.

In addition, the wereda is mandated to *collect* income tax from employees (civil servants, private employees and public enterprises owned by the wereda, if any) found in the wereda, agricultural income tax, income from rent related to buildings found in the wereda; collect profit tax from traders whose annual income is less than 100,000 birr; collect revenue tax from small scale mining and public enterprises owned by the wereda, land use fee. It is also mandate to collect service charges and fee from roads, bridges, underground water, clinics, libraries, convention halls built or administered by the wereda; fees related to registration of birth, marriage, divorce and death certificates; fees from business licenses and renewals; turn over and excise taxes from individual traders, capital gains tax, turn over tax from public enterprises; sales tax from the sale of movable and immovable property located in the wereda as well as from sale of construction materials such as sand and stones.⁷⁴

The same proclamation Article 43 also provides for concurrent revenue sources. Income from land leased for investment purposes, agricultural income from such investments, incomes related to mining (other than small scales ones) and petroleum, income from incense, water and other natural resources, royalties

74 See for details Articles 39–46 of proclamation 99/2006.

from forests and income from tourism. Incomes from the above-mentioned activities are concurrently shared with the regional state.

As mentioned already, weredas implement laws, policies and directives of the regional state. Regional state bureaus may also discharge some of their mandates through the wereda administration and the different sectors in the wereda. The proclamation Article 55 stipulates that regional state bureaus are duty bound to allocate necessary budget to the wereda or the respective sector for the activities of the bureau discharged at wereda level.

The overall picture shows that rural local governments that have limited revenue sources cover only 15–18% of their expenditure from their own revenue.⁷⁵ Poorer rural local governments rely on the transfers that come in the form of block grants from regional state for the rest of their expenditure. A few urban local governments with rich revenue source (for example, Wukro and Shire towns) cover 90%⁷⁶ of their expenditure from their own revenue. Shire, a booming town in the North Western zone, had two hundred seven million birr for the 2017 budget year. Seventy nine million birr was spent for salary and pension, thirty eight million was spent as recurrent and eighty nine million (43% – the highest in the regional state) for capital projects.⁷⁷ Axum town had 122 million birr annual budget for the 2018 fiscal year. Of this, sum 80 million birr was collected from its own revenue. Only 43 million birr was spent for capital projects. Many rural and urban local governments fall somewhere between the poorer rural and richer urban local governments.

It is vital to note that most of the revenue source that are either generated from own revenue or transferred to local governments in the form of block grants are largely spent for recurrent activities (payment of salary to employees and costs associated with the running of routine local government functions). This means that local governments are providing employment opportunities but are not becoming centers of development. Only 10–20% of the annual budget is

⁷⁵ This is calculated from a five-year revenue source (own and transferred) and expenditure of local governments. For example, Tahtay Koraro, a rural wereda near Shire town had 104 million budget for the 2009 E.C. The wereda raised only 14.5 million from own revenue (tax from employees in the wereda, royalty fee from mines and other minerals, tax from traders etc) which covers only 15% of its expenditure. It means that the wereda relies for 85% of its expenditure on transfers from the regional state. Interview with financial officer of the wereda, February 7, 2018, Shire.

⁷⁶ Shire town received only 23 million by way of transfers from the regional state (11%) of its annual budget in 2009 E.C.

⁷⁷ Capital projects are commonly understood to include construction of cobble stone and gravel roads, drainage, green areas, construction of elementary schools, clinics, health centers, entertainment and sport centers for the youth and shades (wood and metal workshops for the youth).

spent for capital expenditures.⁷⁸ There is limited resource that local governments can spend to development projects designed at the local level to address local priorities. In this respect, while Shire and Wukro represent the hope of local-level decentralization, Laelay Adiabo (Adi Daero) show that local-level decentralization is an empty rhetoric with little public financed (federal, regional or local) development.⁷⁹ This is not to imply that there are not developments at the local government level. Federal and regional state led and financed development projects operate at the local level. Whatever developments that exist at the local level are thus financed by either the federal or regional government. Local governments also mobilize a large size of population for terracing and for reforestation activities. Such massive population mobilization is done for free. Donor agencies and NGOs also provide finance for limited capital projects and the wereda may provide free labor as matching resource to construct, for example, small dams and canals for irrigation.

5 Conclusion and Recommendations

While the second phase decentralization coincided with the emergence of the political cum economic ideology of the developmental state and thus has delivered well, for example, in the education sector particularly in rural weredas, this may not have been matched with genuine autonomy at the local level owing to weak democratic institutions and higher level party and government control over local affairs. The regional state's broad mandate to intervene and dissolve local governments and the introduction of strongly worded upward accountability on local governments brings a new dimension to the dynamics of local-level decentralization. The wereda chief executive and the mayor have dual accountability: weak/thin horizontal accountability to the legislative council at local level and thicker vertical accountability to the higher level.

In terms of party positions, the heads at the zones and regional state are political seniors compared to the wereda administrator and the mayor. The latter are subject to the influence of senior party figures at the higher level. Decisions made at the local level can also be vetoed or reviewed by zones and the regional

78 Tahtay Koraro spent 10.5 million birr for capital projects (construction of elementary school, small health centers, own building for the different sectors, training centers for farmers etc) from its 104 million annual budget in 2009 E.C, which is merely 10.5% of the total budget. Interview with financial expert of the wereda, February 7, 2018, Shire.

79 One finds a big mosque and one privately owned decent hotel else the wereda seems in deep sleep.

state. There is thus a thicker vertical line of accountability of local governments to zones and regional states compared to the weaker/thinner horizontal accountability to elected councils at local level. The state of decentralization in reality resembles a mix of both decentralization and deconcentration, set back on the autonomy of local governments. Strengthening the system of checks and balances at the local level by strengthening the oversight and monitoring function of elected councils should be the way out to enhance strong links between the people and local government institutions. Strengthening horizontal local accountability is hoped to give life to local democracy currently overshadowed by upward accountability through the party and the executive structures. There is thus a need to rethinking the design of local governments that shifts decision-making to the local level away from the party, zones and regional states.

Self-government at the local level is also affected by the lack of continuous revision of the boundary adjustments in a manner that addresses new developments and wishes of the people. The process of decentralization and boundary adjustment in the post 2001 political development in Tigray was solely guided by one major criteria: “we have limited resources and we must use those resources for the much needed development by reducing administrative costs.” Establishment of local governments is often guided by a mix of factors such as economic and administrative viability, efficiency, geography and history, resource capacity and consent of the people. Despite the improvements in the law, no major adjustment has so far been made on the boundary of local governments in response to the emerging demand. The fact that some historically existing sub units had to be amalgamated for the sake of ensuring “economically optimal size” to use resources for development has caused administrative inconvenience hence the continuing demand for having one’s own wereda closer to the people (“bring our wereda back”), limited service delivery (this is a major problem in urban local governments where there exists only one service giving center for sixty to seventy thousand urban residents) but is also a problem in rural weredas. Thus, adjusting the boundary of the local governments based on the consent of the local community to bring government closer to the people and ensure efficient service delivery needs urgent action. This is hoped to bring government and services closer to the people two of the major promises of decentralization. Yet the regional state is currently resistant toward the call for such adjustments that has brought the project on decentralization to a deadlock. Further decentralizing the municipalities in cities and equipping with skilled man power will surely enhance the quality and efficiency of the much needed services in weredas including their revenue-raising capacity.

In terms of development and fiscal decentralization, the overall picture shows that rural local governments that have limited revenue sources cover

only 17% of their expenditure from their own revenue. Poorer rural local governments rely on the transfers that come in the form of block grants from regional state for the rest of their expenditure. A few other rural and urban local governments with rich revenue source cover all of their expenditure from their own revenue. Many rural and urban local governments fall somewhere in between. Yet this could be misleading. Most of the revenue source that are either generated from own revenue or transferred to local governments in the form of block grants are largely spent for recurrent activities. Only 10–20% is spent for capital expenditures. This implies that local governments are not centers of development. There is limited resource that local governments can spend to development projects designed at the local level to address local priorities. Whatever development efforts that exist at the local level are financed by the federal or regional state. Local governments also mobilize a large size of population for terracing and for reforestation activities during the winter and spring season. Such massive population and resource mobilization is done for free and brings useful development activities at the local level.

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