



■ In Profile – Mike Keshishian, United States Agency for International Development, USAID



The views expressed by Mike Keshishian do not necessarily reflect those of USAID or the US government

Interview Questions for Mike Keshishian, DeLoG's Focal Point at USAID

Dear Mike,

it is a pleasure to interview you today. Thank you for taking the time. We are eager to hear about Decentralisation and Local Governance from your perspective as an advisor working for a globally renowned international development agency like USAID.

1. Mike, in your role as local governance advisor, could you give us a short insight into USAID's decentralisation approach and an example of how it is reflected in your projects? How has your work as well the work of USAID's projects changed since the COVID-19 pandemic?

At USAID, we facilitate decentralization because we believe that it can promote 1) democratization, 2) economic growth, and 3) stability. For example, about five years ago, I designed an activity to introduce electronic procurement to all of Kosovo's 38 municipalities. All municipalities in Kosovo now use an internet-based platform for all purchases above 1,000 E. Anybody from civil society, or the media can now look at scans of actual signed and stamped contracts between municipalities and vendors for the provision of construction, goods and services.

We believe that increasing transparency in the area of municipal procurement can help civil society perform one of its most important roles, namely holding government accountable for the use of public resources, a key exercise in democratic governance. Increased transparency can also reduce corruption so that more of the government's resources go towards actual development.

While our activity has greatly increased the transparency of municipal procurement in Kosovo, we are now seeing that transparency alone is not enough. Our platform has exposed many procurement irregularities. However, there is little accountability, so even when problems are exposed, there are seldom consequences for those involved. Therefore, the next iteration of this activity, which I am currently working on, will work with the government of Kosovo on creating mechanisms for improved accountability. One example of this would be to decertify procurement officials who are



not following proper procurement procedures. This phase of the project will be much more difficult than the first phase.

The pandemic means that none of us at USAID are traveling anymore. We now conduct all our business via video, email and telephone. For example, the first project I mentioned above was designed five years ago by me actually going to Kosovo for three weeks. The follow-on to this project which I am currently co-designing is all virtual. I am “meeting” with mayors via video and with the use of interpreters.

2. What are the topics that are currently of main interest to USAID at policy level in the field of Decentralisation and Local Governance (DLG) and why? What main challenges have you observed in terms of DLG project implementation over the last few years?

USAID’s “Journey to Self-Reliance*” and “Financing Self-Reliance” initiatives means that we are now much more focused on working on public financial management and domestic resource mobilization (taxes) at the subnational level. We want to improve the ability of local governments to tax and charge fees for services so that they are better able to improve services delivery and local infrastructure. But along with working to increase local revenues, we are also working on improving local systems for the accountable use of those resources, such as the work on procurement in Kosovo discussed above.

We are also currently grappling with how or even whether we should be assisting authoritarian states to decentralize. Many of us feel that it is not appropriate to help an authoritarian state function better. We do not want to only improve governance: we want to improve *democratic* or *good* governance. For example, improving local service delivery in an authoritarian state might also improve the legitimacy and credibility of a such a government, making it even more difficult for opposition voices to be heard, thus harming democracy. We don’t want to help Mussolini make the trains run on time.

We are also currently broadening our view of local governance. We increasingly believe that local governance should not be viewed in a vacuum from regional and national government. In reality, the basket of public goods and services provided in a locality is ideally accomplished by cooperation and collaboration between national, regional and local governments acting together, but each with their distinct roles and responsibilities.

3. USAID recently published an extensive study on decentralised governance and accountability, linking academic research with planning and project design including the review of past experiences. Looking at the shift from a rather strong enthusiasm for decentralisation reform during the 1990s to an increasing criticism of decentralisation programmes, what can you tell us about the study’s findings and lessons learned for future development programming in the DLG context? How are these lessons being translated into USAID’s DLG programming?

Some of the major findings in this study was that one should not assume that all country contexts are amenable to devolution (a form of decentralization). Much of the academic literature suggests that devolution should only be pursued when there is political competition for local office, a free media, and an activity civil society. Absent these factors, there is a risk that devolving power and resources to local officials can create local elites who are not held to account by either higher levels of government or their citizens.

Prior to this research, we were wary of working with traditional authorities (TAs), because they can be retrograde in regarding, for example, women’s property rights, women’s rights in general. However, the literature suggests that working with TAs can make sense when they are embedded in and



connected to their communities. The findings further suggest that one should be cautious of working with TAs who have been cooped by the government, are receiving government stipends, salaries, housing, or who may not even live in their communities.

4. Mike, as a participant in DeLoG's 15th Annual Meeting in July, you had the opportunity to discuss the thematic areas of DeLoG's workstreams like local finance, urban and territorial governance and DLG in fragile contexts with DeLoG's other members and partners. We would like to close our interview by asking what role a network like DeLoG should take on in future from the perspective of USAID?

I believe that more research is needed on how best and when to promote local governance. For example, under which circumstances should we NOT support devolution (such as in the case of authoritarian states). How can intergovernmental fiscal transfers be structured so that they do not create disincentives for local governments to raise their own taxes? Is it true that citizens are more likely to hold their local leaders accountable for the use of locally raised taxes, as opposed to intergovernmental transfers? Do average citizens know how much they get for their taxes? (Value of money concept). The main question here is: Does knowing what you get for your taxes make you more likely to pay or otherwise change your attitude towards taxes? Both questions are very broad and could be narrowed down, making this more likely to produce useful information (for example, in terms of who is surveyed, what services we ask for, what taxes we are describing, etc.) (As an example, behavioral information in the past

That's it, thanks for this interview.