Many local bureaucrats operate in settings with weak institutions and limited oversight, resulting in poor service delivery. A growing number of initiatives and studies seek to address this by empowering communities to monitor front-line service providers directly. This study tests another avenue: Empowering local politicians, who have the mandate but often lack the tools to monitor local bureaucrats, who in turn oversee front-line service providers. In particular, this study evaluated the impact of putting location-specific, fine-grained budget and expenditure information into the hands of local councilors on their efforts to monitor the bureaucracy. This information, coupled with training on government rules and procedures, improved local politicians’ oversight efforts, but only in areas where some degree of party competition existed.

**Policy Issue**

Local governments are crucial for public service provision. They collect taxes, draw up budgets, select contractors, report information to the central government, and manage resource flows. The recent wave of decentralization in developing countries has rendered local governments’ role all the more important. Yet many local bureaucrats operate in settings with weak institutions and limited oversight. Increased budget transparency may result in improved accountability and quality of public services. If so, it is important to establish to whom budget information should be targeted.

This project departs from most empirical research on accountability by focusing explicitly on strengthening the oversight function of local elected representatives over their bureaucratic counterparts, rather than focusing on the link between voters and politicians (electoral accountability), or between voters and service providers (direct accountability).

**Evaluation Context**

Uganda, like many developing countries, suffers from poor quality basic service provision and weak mechanisms for accountability at the local level. Uganda has a relatively strong track record in budget transparency, and is ranked second in Africa in the Open Budget Index. However, these efforts have not been systematic, and it is unclear to which extent they have improved accountability. Due to a 2010 reform, the Ministry of Finance receives detailed project-by-project reports on budget allocations and alleged quarterly expenditures from local governments via an output based digital budget reporting tool. However, local stakeholders, including elected representatives whose mandate it is to
monitor service provision, are largely unaware of this information.

To help address this problem, the Ugandan Ministry of Finance, ACODE, ODI, and IPA launched a Budget Transparency Initiative to make department, project- and location-specific budget information available to politicians, opinion leaders, and the public; and to mobilize them to monitor and provide feedback on the spending and services provided by government institutions.

**Details of the Intervention**

This study evaluated the impact on politicians’ oversight efforts of putting budget information into the hands of local councilors as well as their political challengers and local opinion leaders.

The researcher assessed the impacts of different variations of the intervention among 260 study subcounties in 28 districts. The subcounties were randomly assigned to either (a) have councilors receive information on budget allocations and expenditures, in combination with a day-long training, (b) have councilors, their electoral challengers and local opinion leaders receive this information and training, or (c) receive no intervention (the status quo). The reason behind designing the second treatment arm was to introduce second-order monitoring by enabling elite constituents to demand that their political representatives use the budget information to monitor service delivery.

Councilors and local opinion leaders received information about the budget and reported expenditures in their subcounty in print-outs and through a toll-free hotline. The information was also available on an interactive website. In addition, they were invited to a daylong training workshop that clarified their roles and responsibilities with regard to monitoring service delivery and taught them how to interpret and use the budget information towards this end.

IPA conducted the first follow-up survey ten months after the study began to assess the intervention's impact on local politicians’ and opinion leaders' knowledge of budget allocations and rights and responsibilities, their monitoring effort exerted by them, and dynamics in local councils. One year later, IPA conducted a second follow-up survey to assess whether the intervention resulted in improved service delivery.

**Results and Policy Lessons**

The study found that access to budget information increased local politicians’ monitoring effort, but only in areas where the local political leadership was independent or from the opposition (non-aligned). In areas where all levels of government were aligned, budget information did not have an impact.

- **Overall oversight effect:** In non-aligned areas, the program increased local politicians’ score on an index of oversight efforts by 0.27 standard deviations.
  - **Monitoring effort:** In these areas, politicians’ likelihood of requesting financial documentation and going on monitoring visits to government projects increased by 0.3 standard deviations.
  - **Access to information:** The program increased politicians’ access to financial and technical documents provided directly by local bureaucrats by 0.24 standard deviations.
  - **Repercussions:** Politicians’ likelihood of pursuing repercussions against underperforming
government contractors increased by .24 standard deviations.

- **Knowledge:** In all areas, an index of politicians’ knowledge of local government rules and procedures increased by .04 standard deviations.

**Mechanisms:** According to focus group discussions and a survey experiment, speaking up against any perceived misconduct can be difficult for local politicians from the ruling party, since their reputation and political future ultimately depend on their standing with influential party members. In contrast, local politicians from the opposition parties or who are independent may feel more empowered to speak out against under-performing bureaucrats without the fear of being branded a troublemaker or “rebel”, which may be why the project was more effective in areas where they led the local government.

Overall, the results suggest that increased oversight by local politicians has the potential to serve as a counterbalancing force in contexts where local bureaucrats are not politically aligned with elected politicians.

The next phase of the study will test the effects of increased political oversight on the quality of service delivery, in order to understand the ultimate material benefits from increased monitoring.