

**DEMOCRATIC DECENTRALIZATION OF NATURAL RESOURCES:  
A LEVER FOR LOCAL DEMOCRACY**

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Over the past three decades, particularly in areas where democracy was absent, participatory approaches to natural resource management and to development made great advances promoting democratic ideals and processes. Unfortunately, these initiatives rarely outlive projects or extend beyond project areas. But now with a local-democracy movement sweeping the developing world, there are opportunities to scale-up and institutionalize participation through democratic decentralizations. Current natural resource decentralization reforms in Senegal, Mali, Cameroon, Uganda, Zimbabwe, South Africa, India, Indonesia, China, Mongolia, Nepal, Bolivia, Brazil, Nicaragua, and Mexico shed light on shortcomings and ways forward for the larger democratic-decentralization movement. Most decentralization reforms do not establish basic institutional infrastructure of democratic decentralization—that is, *locally accountable representation with secure discretionary powers*. Nevertheless, we can draw key lessons from these experiences in natural resource decentralization. Preliminary observations from this research are summarized in WRI's publication, *Democratic Decentralization of Natural Resources: Institutionalizing Popular Participation* (available at [http://pubs.wri.org/pubs\\_pdf.cfm?PubID=3767](http://pubs.wri.org/pubs_pdf.cfm?PubID=3767)).

First, *local institutional choice* is important for democracy, equity, and efficiency. In most decentralization reforms, the local authorities chosen to receive natural resource powers are rarely accountable to the local population, making it unlikely for the decentralization to achieve its potential equity and efficiency benefits. Even local councils elected on the basis of party lists are often accountable upward to their party. When unaccountable to the local population, local authorities are less likely to make decisions consistent with public needs and aspirations. In many instances, even where there are downwardly accountable local councils, private individuals, NGOs, or customary authorities are chosen in lieu of the elected authorities. These choices are undermining the legitimacy of democratic institutions by taking public powers away from elected authorities and diffusing them among other competing institutions—often in the name of pluralism. Further, indiscriminate support of civil society organizations, without accountable representative institutions as mediators, creates opportunities for elite capture. The best connected and organized groups dominate decisions. In short, the cases show that there is often no local democratic authority to empower or that central government agencies avoid empowering those that do exist.

Second, the *powers transferred* to local authorities are critical. In most cases, powers transferred to local authorities are insufficient, come as burdens or mandates (often unfunded), or are circumscribed by systems of unnecessary oversight (or *tutelle* in Francophone areas). Central governments are transferring subsistence use rights while retaining control over commercially

lucrative resources. Central agencies use specious arguments about the technical nature of the resource or lack of local capacity as a key excuse. Further, powers are often transferred through ministerial or administrative decrees and orders, rather than through more-secure legislation, leaving the recipients dependent on central authorities who can take them away on a whim. These insufficient, inappropriate, and insecure transfers do not constitute decentralization and also impede the formation of citizenship and civil society. For local democratic authorities to have legitimacy and for citizens and civil society to engage them they need meaningful and sufficient *discretionary* powers. Nobody engages a local authority with nothing to offer. To create a democratic space of public dialogue, representative public authorities must be entrusted with meaningful powers that people feel they are able to influence.

Third, *natural resources are well matched to and can provide a foundation for democratic decentralization*. Natural resources are key levers for rural democracy. They are the basis of rural livelihoods,<sup>1</sup> providing the vast majority of rural subsistence and commercial wealth. Rural people have a great stake in decisions over land, forests, game, and fisheries. Natural resources provide the meaningful discretionary powers of decision and rule making, dispute resolution and revenue generation that can legitimate new democratic authorities. No other sectors—infrastructure, health, or education—has such every-day importance for rural public decision making. Natural resources can generate substantial income and are, by nature, already in the local arena: they do not need to be re-located. In addition, effective natural resource management is difficult to conduct from the center due to the spatial and temporal variability of resources, requiring intensive local input—participation and knowledge—for their management and use. Inclusive democratic processes are required to internalize social and ecological externalities. Furthermore, there are many meaningful natural resource management and use powers that can be transferred to local representatives without menacing environmental or social well being, and for which local capacities are more than sufficient.

Decentralizations are not moving forward as the national and international discourse implies. This lag is partly due to the reluctance of central authorities to give up their powers—which they protect based on specious arguments and foot dragging. It is also partly due to donor agencies and international NGOs empowering the wrong local actors and falling into the trap of false capacity and technical arguments. Local democracy should not be so difficult to establish. Natural resource transfers can lever the experiment forward toward meaningful institutionalized rural inclusion in decisions that local people already feel they own.

#### Further Reading

Kaimowitz, David, and Jesse C. Ribot. 2002. “Services and Infrastructure Versus Natural Resource Management: Building a Base for Democratic Decentralization,” Paper written for the World Resources Institute’s Workshop on Decentralization and the Environment, Bellagio, Italy, February 18–22, 2002.

Ribot, Jesse C. 2003. “Democratic Decentralization of Natural Resources: Institutional Choice and Discretionary Power Transfers in Sub-Saharan Africa,” *Public Administration and Development*

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<sup>1</sup> In Sub-Saharan Africa, almost 70 percent of all livelihoods depend on natural resources. See World Bank. 1999 (p.30-1) and 2000 (p.52-3). *World Development Indicators*. Washington: The World Bank.

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Ribot, Jesse C. 2002. Democratic Decentralization of Natural Resources: Institutionalizing Popular Participation. Washington: World Resources Institute.