



# Strengthening oversight by legislatures

*Legislative oversight of the executive branch is increasingly important for government transparency and accountability, and is receiving more support from the World Bank and other donors.*

About 90 percent of the world's nearly 200 sovereign states have national legislatures or parliaments. With the spread of democracy and the rise of multiparty political systems, these bodies are playing larger roles in government. Increasingly, legislatures and their members perform four important functions of governance:

- *Making policies and laws.* Legislatures are representative bodies for collective decisionmaking, working with the executive branch to deliberate policies and make laws.
- *Representing citizens.* Legislators give voice to individual citizens, civil society organizations, and business groups, representing the needs of local constituents in policymaking.
- *Overseeing the executive.* Legislatures oversee policy implementation by the executive branch, scrutinizing its work and holding it accountable.
- *Recruiting future leaders.* Legislatures are stepping stones and training grounds for senior positions in the executive branch.

Transcending these formal functions, legislatures also provide an arena where competing political forces can debate and reach consensus on national policies and laws.

This note addresses the oversight function because of its significance for government transparency and accountability, and because the Bank has initiated pilot projects to support this function.

## Holding the executive branch accountable

Legislatures can hold the executive branch accountable through several means, such as questioning senior government officials (including ministers), reviewing or confirming executive appointments, and impeaching (dismissing) officials or even the entire executive branch. Accountability mechanisms vary by country based on constitutionally defined powers of the legislature, institutional arrangements between government branches, divisions of authority between national, regional, and local governments, and the degree of legitimacy conferred on the legislature (Dubrow 2001).

In parliamentary systems (such as those in Canada, Latvia, and the United Kingdom) the legislature—commonly referred to as parliament—helps hold the executive branch accountable (Mulgan and Uhr 2000) but also helps form it. In these systems some or all ministers (including the prime minister) are first elected as members of parliament. They hold executive branch positions because they are leaders of the majority party or majority coalition of parties in parliament. In Westminster parliamentary systems all ministers are first elected to parliament; in other systems some ministers are appointed by the executive branch and do not sit in parliament. A parliamentary vote of “no confidence” results in the immediate resignation of the executive branch and in some case in the holding of new elections.

Around the world, legislatures are playing larger roles in government

Many legislatures are playing bigger roles in budget issues and taking new approaches to oversight

In parliamentary systems the executive branch is also held accountable by opposition parties. Ministers—especially the prime minister—are subject to questioning by members of opposition parties as well as by members of their own party not in government. Parliaments typically do not review the selection of ministers, though parliamentary committees review the appointments of some senior officials. Specialized committees oversee sector policies and government operations. But because these committees are dominated by members of the governing party, such oversight is often weak. Public accounts committees in most Commonwealth countries are an exception, because they are usually chaired by a member of the opposition.

In presidential systems (such as those in Mexico and the United States) the legislature and the executive are separate branches of government. In these systems presidents are elected for fixed terms and can be removed (impeached) only if they violate the constitution or break the law. There are no periodic votes of no confidence, and presidents and their cabinets normally serve out their terms. The president appoints cabinet ministers, but these ministers are not members of the legislature—though in some countries their appointments must be confirmed by the legislature. Other ministerial appointments are also subject to review by the legislature, usually by specialized committees created to scrutinize the policies and operations of a single ministry or department.

A distinguishing feature of presidential systems is that the majority party in the legislature may differ from the party of the president and thus the party that controls the executive branch. When the president and the majority of legislators are members of the same party, legislative oversight is often modest or weak.

### **New roles for legislatures—and civil society**

Three developments have reduced the independence and authority of legislatures in some OECD countries. First, political parties are increasingly well organized and disci-

plined, and so able to determine the legislative agenda and compel legislators to toe the party line. Second, higher public spending—especially on entitlements and income support—has led legislatures to finance transfer arrangements through legislation that does not require periodic reapproval. Third, powerful interest groups and corporate influences often lock legislatures into agreed positions, preventing flexibility despite frequent consultations (Schick 2001).

Some legislatures are responding to their weakened positions with a burst of activism on budget matters. A recent study of legislatures in OECD countries found that more than half were playing a larger role in budget development than they had 10 years earlier (OECD 1998). Legislators have also found new approaches to oversight. Ministerial questioning, committee hearings, and other procedures once used to foster accountability can also be used to attract media attention and to pressure the executive branch.

A strong, well-developed civil society can help hold government accountable as well as contribute to the capacity and knowledge of the legislative branch. Civil society organizations are sources of technical expertise and can provide specialized legislative committees with information about the effects of public policies and policy alternatives. The combined efforts of legislative committees and outside interest groups are especially important for ensuring legislative oversight during the long intervals between elections.

But in many developing countries civil society is weak. There are far fewer civil society organizations than in OECD countries, most are in urban areas, and they have less knowledge and skills to contribute to legislative oversight. Still, the 1990s saw rapid growth and increasing sophistication in civil society in many developing countries—reflecting broader processes of political liberalization and democratization.

### **Lessons from donor assistance to legislatures**

Rough estimates indicate that during the 1990s the Inter-American Development

Bank, World Bank, and other donors provided more than \$200 million in loans and grants for legislative assistance projects. Such projects focused on strengthening law-making, procedural rules, bill drafting, and committee structures, and on improving relations with constituents, the executive branch, opposition parties, and external actors (including civil society organizations and political parties). Assistance ranged from supplying office and other equipment to providing information and training (Messick and Stapenhurst forthcoming).

In 1998 the U.S. Agency for International Development commissioned case studies of legislative strengthening projects in Bolivia, El Salvador, Nepal, the Philippines, and Poland. It concluded that such assistance offers much promise but poses many challenges. The projects reviewed had improved legislative performance and fostered more democratic approaches. But such efforts can be weakened or even nullified by electoral processes, shifts in institutional leadership, and sudden social or cultural changes.

Similarly, a recent analysis of U.S. government programs to strengthen foreign legislatures acknowledged successes but identified weaknesses (Carothers 1999). The programs rarely changed the behavior of legislators, and the public hearings they inspired were held largely for show, to please donors. These findings highlight the need for donors to be intimately familiar with the environments in which assistance programs occur.

A review of donor program evaluations suggests that:

- *Stand-alone projects are less successful.* Legislative assistance programs are increasingly understood as complements to other governance improvements, including efforts to promote participation and legal reform.
- *Domestic political support* is needed to ensure acceptance of the legislature's role in democratic development.
- *Legislative assistance will continue to evolve*, with growing emphasis on extending assistance to subnational legislatures, developing ethics codes and asset declaration

procedures, strengthening political parties, training legislators on budget processes and bill drafting, and improving research and information capabilities (Messick and Stapenhurst forthcoming).

## Implications for the Bank

Future World Bank work to strengthen legislatures should focus on developing them as institutions that can achieve cross-partisan goals in the national interest. Areas of particular interest to the Bank include reducing poverty, improving financial oversight, and giving voice to voters and civil society.

Nearly every respondent to a recent survey of World Bank country directors and resident representatives reported at least some interaction with legislatures and legislators, with many reporting substantial contact. In addition, by holding public hearings and establishing special committees, the process for developing Poverty Reduction Strategy Papers is enabling parliamentarians to play a key role in the Bank's country dialogue.

In lending operations, support for legislative committees is the most obvious way to involve legislators. Specialized sectoral and other committees that shadow government ministries and agencies can ensure effective oversight. Such committees must have sufficient professional staff as well as a supportive infrastructure, including research capacity, reference and library facilities, and communication facilities, including access to the Internet. The Bank can provide valuable support in all these areas. It can also encourage institutional links between parliaments and policy research institutes and universities.

The Bank has both a fiduciary and a developmental interest in improving accountability. Thus it should also help build the capacity of finance and budget committees, public accounts committees, and other financial oversight committees. These committees can significantly influence the allocation of resources for poverty reduction and promote monitoring and evaluation of government results through

Donors must be intimately familiar with the environments in which legislative assistance programs occur

Legislators have  
been given a greater  
voice in Bank  
activities

the Poverty Reduction Strategy Paper process.

The World Bank Institute is working with a number of bodies—including the Commonwealth Parliamentary Association, Inter-Parliamentary Union, and Parliamentary Centre (which is helping to form the Global Organization of Parliamentarians Against Corruption)—to facilitate exchanges among legislators and share lessons. Complementing this networking is a joint World Bank Institute–Parliamentary Centre project, supported by the Dutch Governance Knowledge Sharing Program trust fund, that seeks to develop indicators of parliamentary performance and an interactive Website to aid research on parliaments and dissemination of best practices. In addition, the Bank’s Europe and Central Asia Vice Presidency has supported the development of the Parliamentary Network, comprising more than 120 parliamentarians, to increase dialogue between Bank managers and parliamentarians.

### Further reading

- Carothers, Thomas. 1999. “Aiding Democracy Abroad: The Learning Curve.” Carnegie Endowment for International Peace, Washington, D.C.
- Dubrow, Geoff. 2001. “Systems of Governance and Parliamentary Accountability.” In World Bank Institute and Parliamentary Centre, *Parliamentary Accountability and Good Governance*. Washington, D.C.
- Messick, Rick, and Rick Stapenhurst. Forthcoming. “World Bank and Parliaments.” Concept note. World Bank, Washington, D.C.

Mulgan, Richard, and John Uhr. 2001. “Accountability and Governance.” In Glyn Davis and Patrick Weller, eds., *Are You Being Served? State, Citizens and Governance*. Sydney, Australia: Allen and Unwin.

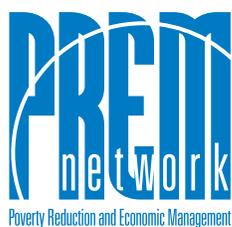
OECD (Organisation for Economic Co-operation and Development). 1998. *Role of the Legislature*. Paris.

Schick, Allen. 2001. “Can National Legislatures Regain an Effective Voice in Budget Policy?” Paper prepared for the Organisation for Economic Co-operation and Development’s First Symposium of the Chairpersons of Parliamentary Budget Committees of OECD Member Countries—The Changing Role of Parliament in the Budget Process, 24–25 January, Paris.

USAID (U.S. Agency for International Development). 1998. “Assessment Report on Assisting Legislatures in Developing Countries.” Washington, D.C.

*This note was written by Nick Manning (Lead Public Sector Management Specialist, PREM Unit, South Asia Region) and Rick Stapenhurst (Senior Public Sector Management Specialist, World Bank Institute). The authors are grateful to Joel D. Barkan for his helpful comments; a longer version of this note, incorporating more of his input, is available at [www.worldbank.org/wbi/governance](http://www.worldbank.org/wbi/governance).*

*If you are interested in similar topics, consider joining the Administrative and Civil Service Reform Thematic Group. Contact Ranjana Mukherjee (x34301) or click on Thematic Groups on PREMnet. For more information on the World Bank Institute’s program on strengthening parliaments, contact Rick Stapenhurst (x33210).*



This note series is intended to summarize good practice and key policy findings on PREM-related topics. The views expressed in these notes are those of the authors and do not necessarily reflect the views of the World Bank. PREMnotes are distributed widely to Bank staff and are also available on the PREM website (<http://prem>). If you are interested in writing a PREM-note, email your idea to Sarah Nedolast. For additional copies of this PREM-note please contact the PREM Advisory Service at x87736. PREMnotes are edited and produced by Communications Development Inc.

Prepared for World Bank staff