

**Democratic Governance and the Millennium Development Goals:  
Ensuring Responsiveness and Accountability for Results**

**Bergen Seminar Series 2002/2003**

**CASE STUDY**

**Argentina: A pilot experience in building social monitoring mechanisms for  
emergency programs**

Name of Project: Building and Strengthening the capacities and instruments for social monitoring of social emergency programs.	Project dates: July 2002 to April 2003
Project Location: Argentina	Funding amounts and sources: UNDP:           TRAC                   \$[] TTF                       \$[] Partnership Facility   \$24,000  Government:                   \$[] World Bank:                    \$94,000 IADB:                             \$48,000

### Summary

Vis-à-vis the magnitude of the current crisis and the need for re building legitimacy, the WB, IADB and UNDP are starting up the experimental phase of a Social Monitoring System in order to foster innovative mechanisms to build, enhance and strengthen civil society capacities to monitor social emergency programs.

### Background and country context, including problem statement

Nowadays, Argentina is facing a deep crisis, not only economic and social but also one of a political and institutional nature. After almost four years of recession, the default declared at the end of 2001 regarding payment of the internal and external debts of the public sector and the currency devaluation (which sent the debt/GDP ratio up from 50 to 150%), has led to a downward spiral with a GDP drop so far this year of around 15%, and an increase of the annual cumulative inflation of 40% at retail level and over 100% at wholesale level. The greatest impact was on the prices of foodstuff and basic goods and services such as medicines. All this together with an acute decline in the economic activity has led to a speedy increase in poverty and unemployment, which have reached unprecedented levels. According to May 2002 data, 19 million persons (53% of the population) live under the poverty line and 8.9 million persons (24.8%) are under the indigence line, while unemployment affects 21.5% of the labor force. If to this we add the underemployed, close to 5,7 million Argentines have employment problems.

This process has gone hand in hand with an acute political and institutional crisis: at the end of 2001 the country had five different presidents in only 15 days. The growing lack of satisfaction with respect to the political class as well as the state institutions, which includes the Executive Branch as well as the Legislative and the Judiciary –suspects of corrupt practices and lack of sensitivity with regard to the needs of the population – has brought about a legitimacy and representation crisis in a society which throughout history had paradoxically envisaged the State as a leading player for the provision of social public goods and as an active element in the field of economics.

The population's reaction was to carry out a series of spontaneous demonstrations: by the middle classes affected by the freezing of savings, and the unemployed and the poor who staged active protests to claim for work and social protection plans. High levels of criminality, violence and public insecurity have emerged.

Vis-à-vis the crisis, the national government has declared a situation of social emergency, focusing and concentrating social programs and policies on three critical areas: supply of foodstuff, supply of medicines and transfer of income to the poor sectors. Likewise, the IFIs – the World Bank and IDB – have re-targeted and re-formulated their ongoing loan portfolio, re-addressing their programs to the three above-mentioned hubs, with a view to mitigating the negative impact of the crisis on the most vulnerable groups.

Even before the crisis, social policies had been questioned by citizens given the widespread trend of state hypertrophy, the stiffness of the social services offer compared to the growing expectations of the beneficiaries, sectoral or corporate struggles to keep or increase benefits, political clientelism and the lack of State efficiency in resource delivery. Emergency aid from multilateral loan organizations is not alien to this erosion of public confidence. .

Anyhow, the size of the current crisis has deepened that lack of credibility even further and therefore, also the need to have responses to restore trust and achieve efficacy. On the other hand, the requirement for a more responsible and effective delivery is critical vis-à-vis the fact that Argentine society has scarcer resources to meet more urgent needs. Effective and innovative mechanisms are required to ensure a transparent, reliable and responsible management to guarantee access of users to the different programs.

Citizenship as a whole demands social policies and finances them. Consequently, this entails their right to be informed as well as accountability regarding the results of policy implementation.

Building, enhancing and strengthening citizens' capabilities to monitor public resource use and allocation is a decisive instrument to cooperate in re-building public trust in those institutions in charge of implementing social policies as well as an effective means of improving access of the poor to the allocated resources.

### **Description of project and relevant activities**

The project materializes the agreement between IADB, the WB and UNDP to implement a joint proposal for creating and consolidating a Social Monitoring System for the programs in the social emergency package – that is nine programs grouped in five areas: transfer of income, foodstuff, school stationery, health and housing – co-financed by both Banks and the National Government. This is an experimental initiative that will last six months in order to assess if it is an adequate tool to improve efficiency and transparency as well as the active participation of the population in these programs. If so, this would set the basis for the development of a sustainable process for building and consolidating citizens' capabilities to exercise their social oversight rights.

The system will consist of a Social Monitor made up of a consortium of national CSOs. Its specific objectives will be to a) Generate a flow of information from and towards civil society, the target groups, the donor agencies and the executing agencies of each program and other actors involved, so as to improve the profile of social monitoring on the public agenda and foster the knowledge and exercise of citizens' rights regarding the use of public resources; and b) Systematize information for improving the implementation of social policies and ensuring a fair distribution of resources. The following activities will be carried out by the Social Monitor: a) Training, guidance and assistance regarding knowledge and exercise of citizen's rights for the use and allocation of public resources, the dissemination of social monitoring objectives and its results as well as of the use of resources provided by the agencies involved. 2) Interviews to assess the degree of satisfaction of the direct and indirect beneficiaries, of potential beneficiaries that do not participate in the programs, of the health effectors (health centers and hospitals), education effectors (teachers, parents and PTAs) and other relevant community agents. The above aims at obtaining information on the services, criteria of inclusion-exclusion, timeliness of due answers to their claims and the design of a process and result indicator system in this respect. 3) Follow-up of a system for recording claims and preparing a methodology to systematize them; and 4) Follow-up regarding availability and quality of information in each program provided to citizens.

Moreover, the project includes a component – that channels additional WB resources- in order to supplement the Social Monitoring System, empowering the capacities in CSOs. This shall be achieved through workshops and meetings all over the country to sensitize people to social oversight and participation in public policies, to facilitate coordination and articulation mechanisms for social programs and the creation of institutional models for diagnosis and assessment of program results.

The Social Monitor will prepare periodic reports that will be reviewed by a Technical Team made up of UNDP, the WB and IADB. A Social Monitoring Coordination Table composed of the Technical Team, a National Government representation and the Social Monitor will act as a liaison arena among relevant actors.

The WB, IADB and UNDP prepared the terms of reference for hiring the Social Monitor through a national public bid, widely disseminated in the mass media and the Internet. The tender will be awarded on the basis of a fixed price of US\$ 88,000 for these activities. The tripartite team prepared the grids with scorings for assessing the CSO consortium according to two criteria: one regarding its institutional capacity (which includes indicators on their institutional life, geographical coverage, professional technical experience, experience in project execution and monitoring, experience in training projects and assistance in the exercise of citizens rights, and economic and human resources) and another regarding the technical proposal (key personnel assigned to the monitoring system, operational proposal and articulation of the consortium, methodological approach and work plan, submission of reports and overall content). The proposals were submitted in two envelopes, the first containing information on the institutional capacity and the second, with the technical proposal. It was a requirement to have obtained the necessary score in the first envelope in order to participate in the second stage. The Evaluation Committee, made up of UNDP, IADB and WB functionaries and advisors is now concluding the analysis of the first envelopes corresponding to the proposals submitted by four consortia that wish to become Social Monitors, in order to select those that will be entitled to the analysis of their technical proposals.

### Significance in the context of responsiveness and accountability

The multidimensional nature of the crisis in Argentina sets forth two priority issues:

On the one hand, the basic social contract between the State and the citizens has been breached and there is therefore an urgent need for re-building trust and the relationships underlying the social contract. This entails strengthening the capacity of both sides of the equation - the State and civil society - to play their role and assume their responsibilities. The government must be supported so that it can facilitate information in an accessible manner, listen to citizens' suggestions, demands and claims and provide accountability for their actions. At the same time, support shall be granted to civil society to understand the information made public to them and to use it responsibly in both a collaborative approach to public action and in independent oversight.

On the other hand, the magnitude of the Argentine crisis and the urgency of having in place effective social emergency programs emphasize the need for reliable mechanisms of accountability to ensure that the so urgently needed support actually reaches the most vulnerable groups, that scarce resources are transparently managed, and that quality of services provided by the programs satisfy the basic needs of the target population.

Not only will this help to improve the situation of the poor, but it will also mean the beginning of the re-establishment of public trust.

A pilot experience as that of the Social Monitor cannot change the above-mentioned overall conditions by itself since the existing situation requires a process involving changes in the balance of power more than a technical solution. Therefore, it is necessary to have a medium to long-term perspective to foster social monitoring as a participative process bringing together several state and civil society actors, particularly primary stakeholders or beneficiaries. However, the experience may promote new ideas for developing capabilities and trust, as building blocks for responsiveness and accountability, which will take time to set up and strengthen reciprocally in a process of continuous learning.

The Social Monitor can contribute the following to this process:

**Learn from below.** Compare official data with field evidence and direct interviews with beneficiaries and potential beneficiaries to detect the difference between figures on paper and reality. Projects to fight against poverty are widely spread out and their monitoring entails hard work.

**Build networks on top.** Establish communication channels with the government and multilateral development banks and international organizations. It is critical to access decision-makers in order to develop effective strategies to feed the results of the monitoring process into policy formulation.

**Know who is receiving what, as soon as possible.** Clearly specify indicators and cover a program's full implementation process. This includes applying input, expenditure and result indicators, having representative samples of areas or communities, knowing about unplanned impacts, discovering what really happened.

**Build credibility on top and down below.** Offer a reliable, independent image among a wide range of stakeholders, from target population to mass media, researchers, the government, donors, contributing to a constructive public debate and encouraging the proper environment for those organizations representing the poor to have more say and influence on the public sector.

**Establish a two-way flow of information.** From bottom to top, channel conclusions on field results to those in charge of designing policies and to those who generate public opinion. From top to bottom, disseminate information on what the programs were meant to achieve among the beneficiaries. This two-way flow of information in real time is decisive so that actions favoring public accountability may be taken before the programs have been fully disbursed.

**Build institutions.** Generate a critical mass of human resources committed towards public accountability and capable of implementing a systematic, timely and proper task.

**Empowering the poor.** Legitimize the principle of claiming both in an individual and organized manner through a mechanism that helps the poor become involved and organized as stakeholders and actors in their own right.

### What has worked well/What has worked less well/ Lessons learnt

Although the process of building a social monitoring system is just starting – the social monitor will be operational during the next six months when it will be possible to draw lessons from on-the-ground experiences-, a few issues on which to focus attention during this experience can be mentioned:

**The selection of representative and capable counterparts from a diverse group of civil society actors, ensuring that the voices of the most excluded are heard either through organizations or directly.** The role of the Social Monitor is that of a facilitator of social monitoring. It accomplishes a technical and facilitation function of gathering, analyzing and disseminating reliable and accessible information. Even though ideally the flow of information should be directly from the State to citizens and not through intermediate groups, CSOs clearly have a role to play by accompanying citizens – particularly the poor – in the interpretation, diagnosis and responses to information. Since in Argentina they have traditionally had weak links both upwards and downwards and no extensive relationships with the service user community, it is essential for the Consortium to be independent but that it “build bridges”, that is to say, that it be well connected with the communities of users and ultimately back to the service providers. Anyhow, the technical and institutional capabilities required from the Social Monitor may entail asymmetric opportunities in the competitive selection process, discriminating groups that have sound bonds with the grassroots but are weaker regarding the above capabilities.

**The Government’s commitment to the initiative, which may seem to counter traditional power balance.** The Coordination Table, which will harbor interaction among international agencies (WB, IADB and UNDP), the Social Monitor and the Government to follow up on the social monitoring process, will be a key arena for strengthening Government’s commitment. In such a delicate context like the Argentine crisis, the Government and the public institutions’ involvement becomes particularly significant in order to internalize the social monitoring system as the appropriate instrument to correct deviations in program implementation and to improve the programs’ impact so as to help in re-building credibility and accountability.

**The process of managing expectations and often conflicting interests between actors where there are low levels of trust.** In a context of severe concern of the poor regarding their daily survival, there appears a lack of motivation and a disbelief, which may be expressed through distrust, lack of interest and little participation. The experience, prestige, social image and community acknowledgement of the Consortium that will become the Social Monitor will be the basic attributes to generate confidence and promote an active participation, recognizing that differences of opinion and conflict are part of a legitimate process of dialogue.

**The role of the international organizations as facilitators, letting local partners lead.** For the process to be sustainable, local actors need to be in the driver’s seat. The international organizations facilitate, provide information and introduce actors and ideas but do not lead, decide or impose. The designed process of the Social Monitor System involved and intense program of meetings with CSOs and the Government.

**The partnership among development actors.** The WB/IADB/UNDP initiative for setting up this System is a joint effort for coordination and resource use that avoids overlapping and creates synergy. Out of the nine social emergency programs on which the Social Monitor will focus attention, five are funded by the WB and four by IADB. Both banks fund the Social Monitoring System on an equal basis while UNDP provides funds for technical expertise. All three institutions defined the scope of the experience, prepared terms of reference and jointly called for bids to select the Social Monitor. These institutions are also participating in the evaluation and selection of the Social Monitor and will all follow up on the System.

Author of case study: Marcela Masnatta

Project manager: