Department of Pacific Affairs

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Research into Constituency Development Funds in Solomon Islands

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In Brief 2018/4

Public funds directly allocated to elected officials for use in their electorates are often referred to as constituency development funds (CDFs). Over the past decade, public policy scholars and government officials have become increasingly interested in the use and operation of CDFs (Baskin and Mezey 2014; CPA 2016). Baskin (2014:2) documented the relatively modest growth of CDFs in developing countries from 1980 to 2000 and their rapid acceleration from 2000 to 2010. In Solomon Islands (and in its close neighbour Papua New Guinea), CDFs have risen to internationally unprecedented levels.

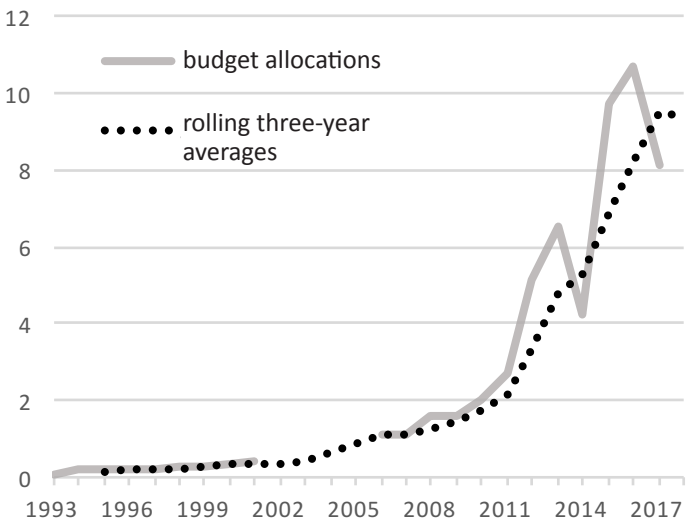
This In-Brief provides an overview of a current research project that is examining how CDFs are managed at the constituency level in Solomon Islands. It describes the context for the research, the approach taken to fieldwork, which was completed by a team of local and international researchers from the Australian National University in 2017, and provides some initial impressions from the field.

CDFs in Solomon Islands

As elsewhere, the issue of whether CDFs represent an effective use of development expenditure in Solomon Islands is contentious. MPs and their supporters are often considered to be the strongest advocates, while donors and civil society groups have by and large viewed CDFs as political slush funds that can be detrimental to development. In Solomon Islands, CDFs now make up around one-third of the development budget, or between 10 and 15 per cent of total budget outlays. Figure 1 shows that CDF expenditure has risen sharply for each MP over the last 10 years. The amount available to individual MPs in Solomon Islands now hovers somewhere between SBD8 and 10 million (USD1–1.3 million) per annum.

There is little publicly available information on CDFs and their operation in Solomon Islands.[1] Formal research into how CDFs are managed in practice and their impact on local development is required to extend the limited evidence base.[2]

Figure 1: CDF budget allocation for individual MPs from 1993 to 2017 (nominal SBDm)



Sources: Solomon Islands Ministry of Finance and Treasury; Fraenkel 2011.

Research aims and approach

To identify how CDFs, and other aspects of the development budget, are utilised, this research will produce a comparative evidence base from case studies of individual constituencies in Solomon Islands. It will document the CDF spending process — from planning and decision-making through to how projects are implemented and their impact on households and communities. The research will also provide insights into whether CDFs are spent on areas typically associated with government expenditure, such as roads, health clinics and schools, and how (or whether) they contribute to the economic and development goals of Solomon Islands.

Fieldwork was undertaken between April and July 2017 in three national constituencies in Solomon Islands (each from a different province and island). These constituencies were not randomly selected, nor was the research designed to be nationally representative. Rather, three MPs volunteered to

participate in the research on the basis that their constituencies would not be explicitly identified due to potential political sensitivities. Two of the MPs were serving their second term in parliament, while the third was elected for the first time in 2014. The MPs played no role in the design of the research, nor in the conduct of the fieldwork.

In each constituency, research site selection was based on political support for the incumbent MP identified using ballot box data from the most recent national elections (2014). Three research sites were then selected: one in an area where the MP received a strong share (greater than 80%) of first preference votes, one mixed (about 50%) and another area where a weak share (less than 10%) of votes was received. The target research participants were those directly involved in the management of CDFs, and development more broadly, in each constituency. Semi-structured interviews were held with key informants, such as MPs, public servants and local leaders. Focus group discussions (disaggregated for women and men) were also conducted with communities at each research site.

Considering the opportunity costs associated with expending development funds through CDFs, rather than government ministries, the closest school and health clinic was also surveyed at each research site. These service providers (head teachers and health workers) and beneficiaries (parents of schoolchildren and users of health clinics) were asked about whether these basic services benefit from CDFs, and other aspects of line ministry and development budgets.

In total, over 300 individuals were interviewed or surveyed. This research approach was based on similar case study research carried out in Papua New Guinea, which will allow for comparisons between the two countries.

Impressions from fieldwork

For each of the three constituencies visited in the study, participation rates exceeded initial expectations. Regardless of the community's political support for the MP, the research team's arrival at fieldwork sites was consistently met with considerable interest. While all communities were aware of CDF projects initiated by their MP, most were uncertain about how they should be benefiting, especially when compared to other villages in the same constituency. This reflects a lack of information about CDFs at the community level, particularly regarding the size of CDF budgets and arrangements for deciding on projects to be funded.

There is currently no legislation in force requiring common or minimum standards for CDF governance. Even so, the team observed that the size and scale of CDFs has necessitated the creation of governance procedures. In one constituency, the MP had assigned ward development committees the responsibility of vetting project proposals, and liaising with villages, in an attempt to manage expectations. Another had established a constituency-wide plan and set rules and guidelines for specific projects that would be funded. At the same time, significant implementation challenges were found across all constituencies, which impacts on the effective translation of CDF expenditure into completed and sustainable projects on the ground. In all cases, the staff supporting MPs to manage their CDFs appeared under considerable strain.

Analysis of the research should provide evidence-based insights into the operation of CDFs in Solomon Islands, and give rise to a series of recommendations for improving their management. This may include potential areas for more productive donor engagement.

Notes on authors

Colin Wiltshire is a research fellow and James Batley a distinguished policy fellow with the Department of Pacific Affairs.

Endnotes

1. A long-awaited report by the Auditor-General on the operation of CDFs has not yet been released. The Ministry of Rural Development is understood to be preparing annual reports on the operation of CDFs for both 2015 and 2016 but these have not been published.
2. The World Bank's (2014) report considered CDFs among a range of government- and donor-funded programs. Transparency Solomon Islands conducted awareness programs on CDFs over the period 2015–16 and media reports in 2017 suggested that a report was being prepared. The authors are aware of one PhD focused on CDFs in Solomon Islands currently underway, and a second in the offing.

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We acknowledge the Australian Government's support for the production of the *In Brief series*.

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