

Local Government and Development: How Can We Narrow the Gap?

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In December 2021, new leaders were elected at the nationwide local government (LG) elections. The new gups (county heads), mangmis (deputies) and tshogpas (representatives from villages) were entrusted by the local people to develop local communities and realise their electoral promises over the next five years.

In Bhutan, the Royal vision has initiated a decentralisation of power and authority over the past several decades. This has shaped the foundations of local government, through measures such as the establishment of Dzongkhag Yargye Tshogdu (district development committee) in 1981 and Gewog Yargye Tshogchung (county development committee) in 1991.

Following the establishment of the Constitution, the Local Government Act was enacted in 2009 and the first local government elections were successfully held in 2011. These institutional developments strengthened the capacity of local government and have helped to build the foundations of democracy in Bhutan.

In October 2016, His Majesty the King granted dhar (ceremonial scarf) and kabney (scarf) to the elected gups. During the ceremony, His Majesty said:

“We are a small landlocked developing country with immense development needs but limited resources. In such a situation, our local governments must ensure the most judicious utilisation of our limited resources so that our people, the ultimate beneficiaries, derive the maximum benefit from the process of economic development.”¹

Local governments know that they have a huge responsibility, both to respond to the Royal vision and to earn the trust of the people.

¹ Kuensel (2016) His Majesty The King Grants Dhar and Kabney to gups. Kuensel online on october 14th, 2016. Available at <https://kuenselonline.com/his-majesty-the-king-grants-dhar-and-kabney-to-gups/>

LGs are the closest to people at grassroots level, and therefore they can be more significant to the community than the national government. In recent years, allocation of resources and granting of authority to local governments have been increasing. Local leaders are now able to make important decisions on issues such as farm roads, irrigation channels, schools and basic health units (BHU). These decisions are essential in improving the livelihoods and living standards of the community. For this reason, it is clear that LGs are the front-runners of development and are expected to play a major role in its achievement.

But how much progress has Bhutan made under the slogan of “narrowing the gap”? The Gross National Happiness (GNH) index shows that the level of happiness of people living in rural areas is much lower than in urban areas.² While the landscape of urban areas changes every year, rural villages stay the same, and their familiar pastoral scenes remain unchanged.

Will urban areas continue to be the winners and rural areas the losers? Rural areas need change and local governments should play a central role in their transformation. In this paper, I would like to review the challenges faced in rural areas, and reconsider the role of local government in terms of the economic, political and social services that are crucial focuses for development.

Economic Disparity

Poverty rates are particularly high in rural areas. Over the years, the need to increase rural income has been one of the major challenges for the government of Bhutan. However, large income disparity has remained and has polarised rural and urban areas.

Although the government has successfully reduced poverty over the last few decades, the percentage of extreme poverty in rural areas is 11.9% while in urban areas it is 0.8%.³ Many manual workers and young people have migrated to cities or other countries seeking a better life. As a result, women and the elderly are left behind.

² Centre for Bhutan Studies & GNH Research (2016) *A Compass Towards a Just and Harmonious Society, 2015 GNH Survey Report*. Thimphu

³ National Statistics Bureau of Bhutan (2017) *Bhutan Poverty Analysis Report 2017*. Thimphu

In some villages, the number of vacant houses has increased; so has the percentage of women and elderly people working in agriculture. This has been noted as a form of agriculture feminisation.

COVID-19 has also had a significant impact on livelihood and income levels. Many of the most important industries in rural areas are in agriculture, but farmers were unable to access agricultural markets and export products during the lockdowns. This caused a fall in the prices of cash crops and also resulted in large quantities of vegetables and fruit being discarded.

Traditional handcrafts, such as textiles, bangchungs (cane baskets used for eating rice), and dapas (wooden bowls) are important sources of income for local people. A woman living in Tashi Yangtse told me: “I usually make my living from weaving. Before the pandemic, I could normally earn approximately one lakh ngultrums a year from selling the textiles; however, during lockdown, I couldn’t sell them at all. I had to spend our savings and borrow money from local stores nearby.”

Local communities have great potential to create jobs and businesses by taking advantage of local resources. LGs need to consider how these resources might be used to improve livelihoods and local economies. For example, the Bhutan Chamber of Commerce & Industry (BCCI) released a report titled “Potential Business Opportunities Identification Study 2021” and identified 20 potential businesses in local communities.⁴ Moreover, the One Gewog One Product (OGOP) initiative has been a successful strategy that has added value to rural agricultural products.

LGs are expected to play a coordinating role between communities and markets. It is both highly necessary and extremely urgent that value is added to agricultural products, that the quality of traditional crafts is improved, and access to markets provided through some efforts, such as homestays based on ecotourism. These are ways in which local government can play a leading role as a platform for the creative exploration of business and economic opportunities.

⁴ Bhutan Chamber of Commerce & Industry (2021) *Final Report: Potential Business Opportunity Identification Study 2021*. Thimphu

Political Participation

The growth of the power and resources of LG has been accompanied by an increase in the number of reported cases of corruption in recent years. According to the latest annual report from the Anti-Corruption Commission, the gewog administrations received 92 complaints of corruption in one year, which is the highest number of agency cases, followed by ministries (50) and others/private sectors (38).⁵

It is highly probable that LGs do not have enough capacity to exercise their powers effectively, and also have a low level of accountability via checks and balances. Clean and transparent decision-making needs to be ensured for local governments, and this must be based on equal opportunities for political participation.

In many LGs, women's involvement in the political decision-making process is insufficient. When I visited one village in the east, many women said they had never spoken at zomdus (community meetings). This situation improved slightly after the LG elections in December 2021, when the percentage of female local leaders increased from 7% to 13%.

Some areas are better than others, for example in Dagala gewog in Thimphu dzongkhag, six female representatives were elected and the gewog office is now filled entirely with female members.⁶ But the percentage of female leaders is still only 13% nationwide. Decision-making should not be controlled by an unrepresentative group of people. This situation needs to be changed urgently and women's participation encouraged for the healthy development of democracy.

Participation is essential for the promotion of democratic culture, particularly so in local governments. The full range of local opinions and interests needs to be considered when making decisions. Local development is best achieved through creative and innovative ideas and discussions involving people living in the community.

Greater participation also promotes a higher level of transparency and accountability. The encouragement of participatory decision-making will

⁵ Anti-Corruption Commission (2021) *ACC Annual Report 2020-2021*. Thimphu

⁶ Kuensel (2021) *For More Women Gups*. Kuensel Online on December 24th, 2021. Available at <https://kuenselonline.com/for-more-women-gups/>

automatically improve the level of checks and balances, and thus also help reduce corruption in local governments.

Social Services and Community

In order to make rural areas more attractive places to live, social services, such as health care and education, must be improved. When I talked with my colleagues working in Thimphu, many of them wished to return to their villages after retirement. However, they voiced their concerns about limited access to proper medical care for elderly people, and poor quality of education for children.

So how can local governments allocate their limited resources to improve their services and how can communities complement their local government's efforts?

Community networks among people are sometimes described as social capital, which can be defined as the “features of social organisation, such as networks, norms and trust, that facilitate coordination and cooperation for mutual benefit.”⁷ Some studies suggest that social networks promote collaboration and cooperation among people in communities, and social capital complements local administration and social services.

Similarly, GNH also illustrates the value of community vitality in one of the nine domains. When I visited a village to observe a GNH survey supported by JICA, one woman who was interviewed answered: “When I’m sick, more than ten people come to visit me.” While the form of communities is gradually changing, local governments need to make some effort to maintain and promote community networks that complement and support effective governance.

As LGs expand their powers and budgets, they often face the pressure of demands for more sophisticated services and systems. Zomdus sometimes become a forum for expressing frustration and complaints to the gewogs. Recently, local people are taking their problems to the LGs and are becoming more demanding.

⁷ Putnam, R. (2001) *The Prosperous Community: Social Capital and Public Life. The American Prospect*. December 19th, 2001. Available at <https://prospect.org/infrastructure/prosperous-community-social-capital-public-life/>

Over the years, people had maintained their farm roads and irrigation channels by themselves and village people had engaged in farming, rituals and festivals together with their neighbours. The issue of responsibility on both sides needs to be addressed, because a relationship of trust between the LG and the community is essential for correct decision-making.

Conclusion

In order to narrow the gap, the LG needs more expertise in development and in collaboration with other organisations. After the LG elections last year, younger and highly educated candidates became leaders. For example, the number of gups who hold master's degrees has increased.

However, it is not always easy to cover wide areas of development needs, including infrastructure development, job creation, market access, value addition, political participation and community collaboration. It is preferable to work collaboratively with ministries, dzongkhag offices and development partners, when such expertise is required.

At this point, ministries and development partners are ready to work together with local governments. For example, the Ministry of Agriculture and Forests and the JICA are working together to add value to agricultural products, by assisting in market surveys by farmers through an approach called Smallholder Horticulture Empowerment and Promotion (SHEP).

In addition, the Ministry of Home and Cultural Affairs and JICA are encouraging participation in local governments and helping to facilitate their decision-making through the Community Engagement Platform (CEP). However, it is still a pressing need that the involvement of women and young people in politics needs to be addressed.

LG is essential for the realisation of democracy. The future of the community needs to be in the hands of the local people and issues must be solved with their cooperation. The future of LG in Bhutan holds great promise and expectation. LG can allow people in rural areas to influence the future of the country, and play a major role in promoting development and narrowing the rural-urban gap in Bhutan.