

Parties, Presidents, and State Consolidation: Cross-National Evidence with Illustrations from Kenya

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Abstract: This paper conceives of state consolidation as comprising the two distinct concepts of state strength and state firmness. It is argued here that increasing the accountability between various branches of government and limiting the number of parties will lead to increases in the administrative capacity of the state (strength) and to increases in the republican character of the state (firmness). The results of several least squares analyses are combined with case evidence from Kenya to provide support for these arguments. Implications for bureaucratic and economic efficiency are discussed, as is the nature of African party systems.

Key Words: bureaucracy, governance, Kenya, legislatures, parties, states

Introduction

It is widely understood that many states in developing regions of the world are weak and/or soft. These unconsolidated states, or quasi-states, exist as legally recognized entities within the international system yet fail to function as effective states due to a lack of administrative capacity and/or a lack of control of their juridical territories (e.g., Ottaway 2002; Jackson and Rosberg 1982). In sub-Saharan Africa (hereafter Africa) some states have failed altogether while many others persist in a condition of insecure accommodation, where a fragile form of political stability is maintained by carefully employed patronage politics. Patronage and other forms of informal politics undermine state consolidation in that their opaque and corrupt practices compromise formal state institutions such as the legal system, the budget process, and the bureaucracy, which usually includes some ostensibly autonomous agencies. The subsequent erosion of the bureaucracy's neutrality leads to a loss of both institutional efficiency and regime legitimacy. A lack of regime legitimacy depresses the administrative capacity of the state and the state's ability to shape society for the purposes of socioeconomic transformation and advancement.

The urgency of consolidating Africa's states has been broadly recognized. In recent years, several researchers have argued that unconsolidated states are inimical to progress in the fight against poverty, illness, and insecurity. Joseph (2003, 159) asserts that both economic development and democratization depend upon the construction of "coherent, legitimate, and effective states." Moreover, ills that are shared by all states may be exacerbated in those states that are the weakest. Hence, Fukuyama's (2004, 17)

claim that “Weak or failed states are close to the root of many of the world’s most serious problems, from poverty and AIDS to drug trafficking and terrorism.” These issues are global phenomena; however, weak states and their populations may be especially vulnerable to these problems. Hence, the question of state consolidation has far reaching implications. Before proceeding to the main argument, I will further define state consolidation.

Weber (1946, 78) claimed that the state’s defining characteristic was its ability to monopolize the legitimate use of force within a certain territory. A state which fails to achieve this monopoly by a significant margin may be said to be a “failed state” (insisting on an absolute monopoly would push the number of failed states beyond what is conceptually useful). Thus, a simple measure of state consolidation may be the extent of political violence. However, state consolidation requires more than a monopoly of legitimate violence; it requires a type of political development that can socially, functionally, and geographically integrate society in a productive and self-sustaining fashion.

Following Hyden (2006, 68), I will explore two dimensions of state consolidation in Africa. On one dimension we move from weak states to strong states. “(A) strong state is one that is capable of shaping society rather than being shaped by it; a weak state is the opposite” (Ibid.). On the other dimension we move from soft states to firm states. “A state is firm when its officials act in accordance with formal rules and thus provide a measure of certainty as to what can be expected.” Within soft states, elites undermine or

circumvent the rules for their own gain (Ibid., 69). Subsequently, government institutions lose the traits of Weberian administration: hierarchy, meritocracy, specialization, and rules-based operation (Weber 1968). These four features of “stateness” may be manifest in all polities. However, a consolidated state is one in which the characteristics of state strength and state firmness dominate any characteristics of state weakness and/or state softness.

The remainder of this article proceeds as follows: the second section of this paper discusses some background literature and states the hypotheses to be tested; the third section follows with a description of the data sources and the methodology to be employed; the fourth section presents the data and results; the fifth section introduces case-evidence from Kenya; and the sixth section provides some final remarks.

Background and Hypotheses

Considerable variance in regime stability and administrative capacity exists within Africa. The range of regimes includes Botswana’s stable democracy and efficient bureaucracy, Nigeria’s more corrupt politics and (economic) growth-inhibiting civil-service (e.g., Agboli and Ukaegbu 2006), and (once) failed states such as Liberia and Sierra Leone. The literature contains well articulated geographic and demographic theories of state consolidation. Herbst (2000) explains the positive relationship between population density and state building in Africa. Indeed, Tilly (1985) cites increasing population density as the primary cause behind increasing land values, increasing military conflict, increasing resource extraction, increasing bureaucratization, and stronger states

in pre-modern Europe. The present analysis will combine demographic determinants of state consolidation with political determinants. Specifically, I will illustrate the positive effect of horizontal accountability and the negative effect of party fractionalization.

Political campaigns are fiercely contested, particularly in less economically advanced countries where control of state resources is often viewed as one of the few viable paths toward material comfort – it is in such an environment where we find African neopatrimonialism. Whereas patrimonialism is a system of “fictive kinship” based on “contract, alliance, coercion, or titular service,” (Le Vine 1980, 658) neopatrimonialism is the operation of patrimonialism alongside the structures of a modern rational bureaucracy. Neopatrimonialism is manifest in all regions of the world. Nevertheless, neopatrimonialism seems especially threatening to underdeveloped states because, with smaller private sectors, a larger portion of the economy can be distorted by it. Neopatrimonialism, with its patron-client networks, further heightens political actors’ anxiety of being outside the winning coalition and being deprived patronage. Presidentialism, the predominant regime-type in Africa, has been typified in Africa by executive branches which are especially strong relative to other branches of government. Furthermore, presidential executive branches are inherently majoritarian, where the opposition may have little or no representation (Lijphart and Rogowski 1991). Neopatrimonialism, presidentialism, and the perceived deficiency of private-sector economic opportunities conspire to fuel what Juan Linz (1990) calls the “winner-takes-all” perception of politics. This gives rise to the privatization of the state, which has been attendant with tyrannical and monopolistic behaviors wherein the security agencies are

directed against the population, especially the poor (Lumumba-Kasongo 2002).

Moreover, the state as private domain has often been accompanied by conservative economic planning in which the country's economic dependence and the material conditions of the poor are not appropriately addressed (Ibid.)

O'Donnell (1994) has highlighted the problems which may arise when executives dominate their respective legislatures and other institutions. Making a distinction between his *delegative democracy* and representative democracy, he states that in the latter "accountability runs not only vertically...but also horizontally." Vertical accountability refers to politicians' accountability to constituents. Horizontal accountability refers to the accountability of various branches of government to one another, or "the existence of state agencies that are legally empowered – and factually willing and able – to take actions ranging from routine oversight to criminal sanctions or impeachment in relation to possibly unlawful actions or omissions by other agents or agencies of the state" (O'Donnell 1998, 117). Increasing horizontal accountability has the potential to increase state consolidation due to the fact that institutions outside the executive, such as the legislature, the judiciary, attorneys-general, and accountants-general, are critical to promoting clean and transparent governance and can better further the integration of state and society. Thus, state firmness is enhanced by the empowerment of these institutions vis-à-vis the executive.

Horizontal accountability can be viewed as one component of the assorted varieties of "democracy." Osaghae (1995) identifies (American) liberal-democracy,

Marxist-socialist democracy, and African one-party democracy as three important variants of democracy. Presently, we lack the intellectual technology to prescribe a particular variant of democracy for Africa. However, it is beneficial to disaggregate the concept of democracy into components, such as horizontal accountability, which seem appropriate and useful for the investigation of African politics. Yet, care must be taken when borrowing concepts that have their origins in studies of other regions of the world. Consequently, Osaghae (1995) indicates that African civil society organizations, for instance, should not be expected to play the same role as, and should not have their effectiveness judged on the same criteria as, civil society organizations in the Western World. Here, I submit that horizontal accountability is a component of democracy that can be effectively borrowed from, in this case, the Latin American literature.

Modern “liberal-democracies,” or *polyarchies*, are supported by the tenuous balance of three components: *liberalism*, which posits that all persons have certain inalienable rights which no power (including that of the state) can take away; *democracy*, which maintains that ultimate state power is exercised by the mass public; and *republicanism*, which insists that the holders of public office strictly adhere to the rule of law and selflessly serve only in the public interest. A lack of horizontal accountability most obviously undermines republicanism, although liberalism and democracy suffer as well. Without horizontal accountability, the trend in many countries has been for the executive branch to conduct business in a non-transparent, corrupt, and unrestrained manner. Liberalism suffers because the rights of vulnerable members of society can be violated more easily in the absence of watchdogs. Moreover, while some states may

perform relatively accurate balloting, the electoral elements of democracy may still be undermined by intimidation or vote-buying. Such patterns are indicative of state softness. Moreover, these practices undermine the Weberian character of the bureaucracy, delegitimize the state, and exacerbate the grievances of those not holding state offices – potentially threatening political stability and likely weakening the state.

On the other hand, enhancing the relative power of the legislature will, *ceteris paribus*, decrease the stakes of elections by granting greater influence to the opposition, by way of its representation in the legislature; it will thus be more likely that the opposition will accept the electoral results, thereby preempting a major threat to political stability. Furthermore, legislatures can be composed in ways that better facilitate the provision of both descriptive and functional representation. Descriptive representation, the extent to which a political institution reflects the demographics of society, is superior within the legislature because legislators are chosen by their communities. However, Lijphart and Rogowski (1991) contend that whatever descriptive representation exists within the executive branch may be perceived as mere token representation by officials who do not genuinely work for “their” communities; estrangement between the executive and large segments of society is therefore possible. Additionally, legislatures can provide superior functional representation – the provision of public goods and social services of interest to the public. Legislators are far more accessible to the public than are executives and legislators better understand the concerns and needs of their constituents. The successful provision of functional representation will involve genuine reciprocal

influence between state and society, thereby further legitimating and consequently strengthening the state.

As mentioned above, we cannot yet prescribe a particular form that democracy should take in Africa in order for it to be effective and sustainable. However, several scholars have highlighted the fact that many Africans view democratic rights as being fused with economic rights. Martin (1987) demonstrates that it was a focus on the material conditions of the population that enabled the military regime of Thomas Sankara in Burkina Faso to enjoy the popularity, effectiveness, and legitimacy that it did. This regime took steps to reduce schooling costs, control food prices and rents, and cancel the back taxes owed by the poorest citizens. Moreover, the regime tried to ensure that the masses had ownership of public policies by consulting them at every stage of development projects. Of course, military regimes cannot be counted on to consolidate states due to, among other things, their inherent instability (especially regarding issues of succession). Sustainable and effective democracy in Africa will need to be constitutional in nature; and, it is suggested here that horizontal accountability is a useful characteristic for those constitutions to have and to be enforced.

Ake (1993, 241) states that African democracy “will have to deemphasize abstract political rights and stress concrete economic rights,” because it was economic conditions that instigated many of the demands for democracy. Managing economic conditions is complicated by the fact that powerful external interests have been pushing for a minimal role for the state in Africa. The International Monetary Fund, the World Bank, and

Western nations have been encouraging African states to shrink their economic roles and to allow the market to take its course. Nevertheless, Nnoli (1993) argues that African governments need to prioritize poverty alleviation over what the Bretton Woods institutions refer to as economic growth. Ake (1993) concurs and states that fighting poverty will require government intervention in the economy. The effectiveness and legitimacy of government intervention in the economy will be enhanced by the participation of the masses. The functional representation provided by the legislature is one important route through which the public's participation can be managed and regularized. Accordingly, horizontal accountability creates state strength by providing superior representation and it creates state firmness by creating checks on state agents. Hence:

H1: Increasing horizontal accountability will increase state strength.

H2: Increasing horizontal accountability will increase stat firmness.

Stronger legislatures can better penetrate and integrate society; however stronger legislatures will not necessarily lead to more transparent and cleaner governance. There exist well founded reasons to believe that increasing party fractionalization - increasing the number of parties - will increase patronage, corruption, and other forms of rent-taking. Furthermore, as stated earlier, rent-taking undermines the budget, other laws, the autonomy of various institutions, and Weberian bureaucratic practices. Therefore, an increase in rent-taking equates to an increase in state softness.

Formal theorists concerned with the distribution of government resources have exposed the potential for inefficiency caused by multiple parties. Myerson (1993) shows that as the number of parties increases, parties are incentivized to target smaller portions of the electorate; consequently, government redistribution becomes less equal and efficiency distortions are created. Lizzeri and Persico (2005) further develop this line of research by modeling public goods provision under various levels of party fractionalization. Their result shows that in the “trade-off between efficiency and targetability,” targetability is favored by legislators. Electoral office may be secured by targeting policy outputs toward the necessary constituency (geographic or otherwise); these policies may include the creation of a bloated bureaucracy, price controls, the inefficient provision of infrastructure, and/or other policies which do not maximize social-welfare but instead secure a winning coalition. Additionally, I argue, to the extent that these efficiency distortions decrease the quality of service delivery, these distortions can be expected to decrease the legitimacy of the state, thus impairing state strength.

These results are especially relevant to sub-Saharan Africa due to the scarcity of resources, the weakness of many regimes, the economic dependence of many countries, and the likelihood that conflict over resources may take the form of ethnic conflict. Due to a lack of socioeconomic advancement, cleavages other than ethnicity and religion are few in number and low in salience. Further, the predominantly rural character of African demographics produces legislative constituencies which are largely ethnically homogenous. Barkan (1998) asserts that many of Africa’s multiparty systems are actually single-party systems at the constituency level. In addition, Reynolds (1998, 77-78) claims

that single-member-district plurality systems have “accentuated regional fiefdoms of party dominance.” These regional party leaders often become intermediate authorities mediating the relationship between state and society.

Rothchild (1999) explains that feelings of material insecurity, which are common in Africa, may leave various (ethnic) groups anxious about their futures. Political entrepreneurs may exploit these anxieties for the purpose of mobilizing an ethnic constituency of political support. In such an environment, “militant leaders will be in a strong position to ‘outbid’ the appeals of moderate politicians within their own ethnic community” (321). Such mobilization may entail the fomenting of suspicions about future ethnic exploitation and victimization. Moreover, because partisan cleavages and ethnic cleavages often run along one another, partisan conflict over resource distribution and other policy outputs has the potential to transform into ethnic conflict; clearly, such a development does not bode well for political stability. Regional elites – socio-political actors with a clear ethno-regional support base – are often personalities which are political entrepreneurs as well as ethnic entrepreneurs; they may have political roles both within and outside the state. If such elites believe their political prospects are brighter operating outside the state, they will be tempted to leave the state sector and they may be successful in bringing a large portion of their supporters with them. A significant physical and/or functional secession from the state may result. What is more, various secession movements and other armed rebellions have been externally instigated or supported. The availability of resources for insurgents from foreign countries increases the likelihood that failures of representation will result in armed conflict. The ability of ethno-regional

leaders to threaten the state is expected to result in distorted resource distribution which will fail to maximize social-welfare, hence threatening the strength and legitimacy of the state. Again, the resulting patterns of neopatrimonialism create state softness.

Accordingly, the application of orthodox liberal democracy may lead to perverse outcomes in at least some African countries. This is problematic in that liberal democracy has been increasingly universalized, yet it is historically specific to industrial societies (Ake 1993). Individualism, which is a fundamental assumption of liberal democracy, may be lacking in Africa, where communal interests are strong. Ake (1993, 243) continues:

(T)he political parties of liberal democracy do not make sense in societies where associational life is rudimentary and interest groups remain essentially primary groups. It is questionable to assume that political parties are the appropriate mechanism for political competition under such conditions. ...Africans do not generally see themselves as self-regarding atomized beings...Rather, their consciousness is directed towards belonging to an organic whole.

Despite the difficulties of pluralism and political competition, authoritarianism will not provide a sustainable answer to Africa's dual challenges of economic and political development. Governments that rely on coercion in lieu of legitimacy alienate themselves from the public and lose effectiveness. Osaghae (1998), in discussing the Nigerian experience, makes it clear that the problems of ethnic politics cannot be resolved in non-democratic environments – as indicated by the failure of Nigeria's military governments to effectively manage ethnic politics. Furthermore, Nnoli (1993)

notes that the economic performance of authoritarian governments has been mixed at best. The policies of structural adjustment and fiscal austerity escaped democratic contestation in these countries. Nnoli argues that there was a “loss of direction” regarding Nigerian public policy, and a lack of popular participation in economic planning. (Ibid., 219-20). Therefore, I do not argue that authoritarian systems would outperform multiparty system or be more effective at consolidating states. I limit my argument here to suggesting that excessive party fractionalization will tend to undermine states. Hence:

H3: A high amount of party fractionalization will decrease state strength.

H4: A high amount of party fractionalization will decrease state firmness.

In addition to the political determinants discussed above, this analysis includes controls for demographics, the structure of the economy, and foreign assistance. Increasing population density is expected to increase state consolidation. Increased population density decreases the physical distance between state apparatuses and their societies. It also increases the value of land, increasing the opportunities for tax extraction, and making government occupation of the relevant territory more economical. Distance, both physical and functional, between the state and society can be expected to decrease the quality of service delivery, which is a primary cause of reduced government legitimacy (Lumumba-Kasongo 2002). Moreover, Africa’s urban populations more closely approximate the purported “abstract universalism of legal subjects” (Ake 1993).

Ethnic heterogeneity is a factor which some may expect to reduce state consolidation; ethnicity presents another hurdle to the social and functional integration of

society. Indeed, as discussed, the perception that one's group is marginalized by the central state (and may perhaps be permanently excluded from significant influence) may be expected to increase efforts towards functional and/or physical secession from the state.

I also control for the economic structure of the country by identifying rentier states, states which derive a large portion of their revenues from the production of a single key commodity. While a state's dependence on a mineral, petroleum, or natural gas can increase its autonomy by freeing it from the need to generate taxes from a broad base in society, Skocpol (1982) explains that single-commodity dependence can also result in social and political pacts that are weak, leaving the state less consolidated. Hence, the so-called "resource curse" needs to be controlled for. Most rentier states have attempted to diversify their economies by making investments in other economic sectors. However, these efforts have been interrupted by volatile commodity prices; and these efforts have been problematic due to the use of the state as a private domain and the concomitant cronyism.

Lastly, foreign assistance is accounted for. Just as rentier assets may weaken social roots and political pacts, foreign aid may weaken the linkage between spending and taxation; foreign assistance allows the government to spend without bearing the political costs of taxation. Indeed, Remmer (2004) demonstrates that increasing foreign aid receipts tends to decrease domestic revenue generation. Furthermore, she argues that this may discourage citizens from monitoring government corruption and waste, and that

these behaviors may increase. Still, the receipt of foreign aid is often tied to conditionalities regarding government policy and performance; thus, one may expect aid to be positively related to effective governance. Notably, however, those conditionalities often include neoliberal economic planning, forcing governments to take unpopular actions, and threatening to create the type of disconnectedness between policies and populations which Nnoli (1993) observed in Nigeria. Hence, the relationship between aid and the dependent variables studied here is difficult to predict.

Methodology

As mentioned earlier, Tilly (1985) has associated increased resource extraction with the consolidation of European states. Subsequently, I follow the logic of Margaret Levi (1988), who suggests that rulers tend to be predatory and will seek to maximize their revenues regardless of whether their intentions are malevolent or benevolent. Rulers need revenue to accomplish their goals, whether those goals are to raise powerful armies, to deliver benefits to political supporters, to deliver social services, or to develop the national infrastructure. Increasing state revenue makes it possible to expand the rule and role of the state; state institutions can be aggrandized, more people and activities can be incorporated into state institutions, and more collective goods can be provided by the state. Levi (1988, 2) contends that revenue is maximized subject to the following constraints: 1) the bargaining power of rulers, or rulers' control over coercive, economic, and political resources; 2) transaction costs, or the costs to negotiate and implement public policy; and 3) the discount rate, or the time horizon of a decision maker. Thus, greater revenue may be indicative of: 1) more bargaining power for rulers, meaning there

tends to be more compliance from society; 2) lower transactions costs, meaning the formulation and enforcement of state policy is more efficient; and 3) lower discount rates, meaning that decision makers view the future as important. These characteristics mark a strong, effective, and institutionalized (impersonal) state; and these are primary components of state strength and consolidation.

Also noteworthy is that recent literature from the World Bank (2002) asserts that there is a positive relationship between government revenue as a percentage of GDP and GDP per capita; in other words, in more economically advanced countries governments realize higher rates of extraction. This had led some researchers to use the rate of tax extraction as an indicator of administrative capacity (e.g., Fukuyama 2004). This measure has a functional component, the ability to monitor economic activity and to administer taxation, as well as a geographic component, the need for the state to have a presence in various parts of the country. Yet, to measure state strength it would be useful to have data on the state's distributive role also. However, comparable and reliable cross-sectional data in this regard are not available. Hence, one portion of the quantitative analysis will use the tax extraction rate as an, admittedly noisy, indicator of state strength. There are indeed other components of state strength, however the availability and objective nature of this variable makes it appealing. In this analysis these data are culled from the World Bank's (2005) *World Development Indicators*. Foreign assistance is excluded from the values representing government revenue (the dependent variable).

To illustrate the salience of government revenue, Figure 1 displays box-plots of central government revenue as a portion of the economy for several selected states from various regions of the world. The high end of the figure is populated by the established European states of Denmark, Finland, France, and Germany. Following the mature European states are the younger but somewhat advanced industrializing countries: Singapore, Malaysia, and Brazil. The more marginal performance of Albania and Paraguay follows. The bottom of the figure is populated with the weaker and less advanced states of the developing world. Insightfully, the pattern of more advanced states having higher revenue performance is also demonstrated *within* regions. Singapore and Malaysia outperform Nepal and Myanmar; while Brazil and Venezuela outperform Paraguay and Guatemala.

There may be concern regarding the measurement of this dependent variable in Africa. Many countries in the region have large informal economies, the presence of which threatens the validity and reliability of our variable; as the informal economy increases in size our perception of revenue as a portion of reported GDP increases. To address this concern I have examined estimates of the sizes of the informal economies contained in Schneider's (2004) research for the Institute for the Study of Labor. The informal economy tends to be larger in countries with less reported revenue as a portion of GDP. For instance, the estimated informal sectors of the Central African Republic, Chad, and Uganda as a portion of GDP are 46%, 48%, and 45%, respectively. The mean revenue figures for these states are 10%, 7%, and 10% of GDP, respectively. Whereas the four African countries with the smallest informal economic sectors are: South Africa

(30%), Lesotho (33%), Namibia (33%), and Botswana (35%). These four countries also include some of the highest mean revenue figures: 26%, 44%, 32%, and 41% of GDP, respectively. Consequently, this analysis would only overestimate the revenue of the states with lesser revenue as a per cent of GDP, and would underestimate the size of the coefficients in the models which follow.

While the realized extractive capacity of the state is one important indicator of state strength, I will also examine three indicators from the *Failed States Index* (FSI) produced by the Fund for Peace (2006). These indicators include: the criminalization and/or delegitimization of the state; the suspension or arbitrary application of the rule of law; and the rise of factionalized elites. These data were compiled using automated content analysis of media documents. Newspaper articles and the like were scanned by computers that attempted to identify positive and negative developments in various countries, and then those developments were used to form the basis of the FSI scores. The automated results were then inspected and verified by country experts. While these measures *may* lack the objectivity of the revenue variable, they provide us with greater nuance. The legitimacy that a population may grant a state is perhaps the most important component of state strength, in that legitimacy lessens the need for coercion by the state. Legitimacy can be understood as meaning that the vast majority of a country's population views the regime as appropriate and believes that the law should be followed, not out of fear, but due to the government's right to rule. The rule of law is central to maintaining the republican character of the state, to inhibiting rent-taking, and to empowering formal institutions over informal institutions and personalized politics. The rule of law will be

more present in states that are in the public domain. The rule of law will be less present in states that have been privatized. Lastly among the dependent variables, factionalized elites may lead to a fractured state. In countries where there is less distinction between the state and the government (administration), ethno-regional entrepreneurs are well positioned to mobilize against the state if their desires are not accommodated. The FSI's criminalization and rule-of-law variables are good operationalizations of state firmness. The factionalized elites variable is an indicator of both state strength and firmness, in that a state with factionalized elites is likely to be vulnerable to political action inside and outside formal state institutions.

The political determinants, horizontal accountability and party fractionalization, are operationalized with data from the *Polity IV* dataset (Marshall and Jaggers 2003) and the *Database of Political Institutions* (Beck et al 2001), respectively. The *Polity IV* variable used is "XCONST," or executive constraints; as per the codebook, this variable measures constraints on the executive from legislatures, party apparatuses, the military, autonomous state agencies, and other institutions that limit the actions of the executive. XCONST is an ordinal variable from 1 to 7, with 7 indicating maximum constraints. This variable does not include partisanship as a factor; that is, XCONST will not increase because the number of parties increases. Party fractionalization is a continuous variable from ranging 0 to 1; it is calculated by taking the sum of the squared seat shares for each party in the legislature. More party fractionalization indicates a larger number of parties in the legislature.

Continuing, states which derive a large portion of their revenues from the export of a particular commodity, *rentier* states, are assigned the value of 1 for a dichotomous variable indicating rentier status. In this analysis the states which are considered rentier states are those which were identified as deriving more than fifty per cent of their revenues (excluding foreign assistance) from a mineral or fossil fuel in the year 2000. The statistical appendices compiled by the International Monetary Fund were inspected to determine the key commodity's contribution to revenue.¹ The rentier states in this analysis are (with the commodity's revenue share): Angola (89%), Botswana (59%), Republic of Congo (77%), Gabon (67%), and Nigeria (81%). Cameroon, the Democratic Republic of Congo (DRC), and Zambia may have once been known to some as rentier states. However, Cameroon derived only 22% of its revenue from petroleum in 2000; and the mineral sectors in both the DRC and Zambia have declined since the early 1980s.

The urbanization rate is one control variable included. For the purposes of this research, population density figures may be misleading. Many African countries include large hinterland regions which are only sparsely populated but these same countries may include significant urban centers; the national population density figure would tell us little about the distribution of persons on the ground. The urbanization rate, the percentage of persons living in areas defined as urban, reveals much more about any geographic obstacles to a state "reaching" its population and this is the variable used in this analysis. These data also come from the *World Development Indicators*.

¹ These data were obtained from *www.imf.org* (accessed on March 1, 2007).

The models presented here also include the effective number of ethnic groups; these data were compiled by Michael Bratton and Nicolas van de Walle and are contained in the *Controls* dataset of the Africa Research Program at Harvard University.² This value is designed to reflect the number of (numerically) major ethnic groups in society. This measure takes into account the relative sizes of the ethnic groups in question. This increases the usefulness of the measure due to the fact that the relative size of various ethnic groups is a large part of what determines the political salience of the ethnic cleavage (e.g., Posner 2004).

Lastly, Official Development Assistance (ODA), or foreign aid, is included in the models presented here. ODA is normalized on population and converted to constant 1984 United States Dollars. Again, these observations come from the *World Development Indicators*. Two of the models are rerun using the natural log of per capita GDP.

Regarding the regression of government revenue, data limitations and a desire to maintain a balanced dataset lead me to use the country-years from 1993 through 2002. Thirty-four states in sub-Saharan Africa are included; following Herbst, I exclude the island countries often associated with Africa due to their peculiar geography and demography. Also, the country-years during military government are excluded. Due to the nature of one of the dependent variables, government revenue, autocorrelation is a concern. For this reason, Feasible Generalized Least Squares (FGLS) regressions are used to estimate the models. FGLS is used as a modeling technique due to the ability to

² This dataset was obtained from <http://africa.gov.harvard.edu> (accessed on February 5, 2006). I computed the value for South Africa.

specify panel-specific as well as common autocorrelation coefficients, and the ability to specify heteroskedastic errors.

Regarding the regressions of the FSI Scores, I use the Fund for Peace's data from 2005. Their previous index, from 2004, collected data from only seventy-six countries whereas the 2005 data include one hundred forty-six, including thirty of the states in the revenue regression. Consequently, for this second analysis our independent variables come from 2002 while the dependent variables comes from 2005. While obviously there is a temporal dislocation between these data, the causal direction is running from the past to the future; I am suggesting that it is reasonable for us to use independent variables from 2002 to explain the dependent variables in 2005. This second analysis is purely cross-sectional, allowing us to employ Ordinary Least Squares models. Each of the three FSI dependent variables used here is a continuous variable ranging from 1 to 10, with 10 indicating maximum state weakness and/or softness.

The Data and Results

There are 337 observations on all the independent variables and the revenue variable, except for the fractionalization measure; the *Database of Political Institutions* does not compile legislative fractionalization scores for periods of military rule. Consequently, there are 295 observations for the party fractionalization variable. Also, we have 31 observations for each of the FSI scores. The raw data are summarized in Table 1.

Figure 2 contains a series of box plots, by country, of the dependent variable. Many states show little variance over time; the data from these states are increasing the efficiency of the estimators, more so than explaining longitudinal within-country change. However, some states have experienced considerable longitudinal variation: Nigeria, Angola, Cameroon, and others. Noteworthy is that all five rentier states are among the states with significant revenue volatility; this is not surprising given the dependence of these economies, and their governments, on the price of a primary commodity. Some of the other states, with more diversified economies, exhibit more predictable revenue generation.

Table 2 contains the results from six FGLS estimations of state consolidation. Model 1 estimates only the control variables; panel-specific autocorrelation coefficients and heteroskedastic errors are specified; these are the qualifications which seem most appropriate for the data being analyzed. Model 2 introduces the political variables; they are both signed as expected; executive constraints is significant at the .1% level while party fractionalization is significant at the 1% level. Model 3 repeats the estimation with homoskedastic errors specified and Model 4 conducts the estimation with heteroskedastic errors and a common autocorrelation coefficient specified; these estimations indicate that the result is robust to different modeling techniques. In Models 5 and 6 I take the natural log of per capita ODA and re-estimate the models specifying heteroskedastic and homoskedastic errors, respectively. Again, the political variables are significant and signed as expected. Interestingly, ODA is now significant and negative.

While the coefficient on the rentier variable is positive, it must be interpreted with caution. For rentier states the process of generating revenue is simplified; minimal institution building is required. Consequently, the average value for the dependent variable for rentier states is higher, 32.6% versus 19.8% for the whole dataset. However, if one examines only non-rentier revenue as a per cent of non-rentier GDP one will find that rentier states have a mean revenue rate of only 18.1%. If Botswana, which scores high on executive constraints and is middling on party fractionalization, is removed from the set of rentier states then non-rentier revenue as a per cent of non-rentier GDP decreases further to 16.3%. Hence, we have tentative evidence that exploitation of a rentier asset decreases the revenue generation realized in the non-rentier sectors of the economy; and this, in turn, may indicate a lack of general administrative capacity outside the rentier sector.

The omnibus hypothesis tests allow us to reject the null hypothesis and support the alternative hypotheses that executive constraints will have a positive effect on state strength (H1) and that high party fractionalization will have a negative effect (H3). Additionally, the post estimation diagnostics encourage confidence in these results. The residuals are distributed approximately normal. Furthermore, there is no indication of (multi)collinearity; the highest variance inflation factor is 9.19. Interestingly, ethnic heterogeneity and legislative party fractionalization have a correlation of only .06 – indicating that a multiplication of parties is not merely a function of demographics. Rather, multi-ethnic parties can be established, and the number of parties can be moderated even in heterogeneous societies, under the proper conditions.

Noteworthy is that I did rerun these models while including the natural log of per capita GDP. In the rerun of Model 2, per capita GDP was positive and significant at the .1% level. Importantly, the effects of the other variables did not change, the political variables remained signed as expected; executive constraints and party fractionalization were significant at the 5% and .1% levels respectively. Per capita GDP was not included in the models presented here because it would be counter-theoretical to do so.³ The argument made here is that the proper political institutions can consolidate the state, increase administrative capacity, and thereby create an environment conducive to economic growth. Growth follows security, and security requires regime stability.

Table 3 presents the Ordinary Least Squares estimations of the Failed States Index (FSI) indicators. As high values of the FSI scores indicate softer and weaker states, negative coefficients are having a positive effect on state consolidation and vice versa. Executive constraints has a negative sign and is statistically significant across all three models at the .1% level. Additionally, party fractionalization carries a positive sign in each of the models and is significant at the 1% level for the delegitimization/criminalization of the state and for the rise of factionalized elites. Party fractionalization is significant at the 5% level for weak rule of law. As in the first analysis, the political determinants perform as expected; executive constraints is beneficial for state consolidation (H1 and H2), while party fractionalization is a hindrance to state consolidation (H3 and H4). The omnibus hypothesis test allows us to

³ Also, it is usually not acceptable to have the same value, GDP, on both sides of the equation.

reject the null hypothesis. Further, the strong R^2 values, ranging from .51 to .64, inform us that the magnitude of these findings is considerable.

To highlight the robustness of these results, I will discuss a few individual countries and go outside of the 1993-2002 time period. Botswana has experienced successively higher scores for executive constraints, from a score of five in 1985 to a range-topping score of seven in 2002. Simultaneously, Botswana has had middling party fractionalization figures, from a high of .46 in 1997 to a more moderate .31 in 2001. The country has long been lauded by domestic and international observers for its efficient bureaucracy and Botswana has one of the highest mean government revenue scores in the dataset, 41% of GDP. While Botswana is a rentier state, the state's strong revenue performance remains even if we examine only non-mineral revenue as a portion of the non-mineral economy; this figure ranges from 28% to 34% and indicates substantial bureaucratic capacity in the non-mineral sector. A state at the opposite end of the spectrum is Rwanda. This state has experienced low values for executive constraints, a value of one from 1985 through 1993, and a value of two from 1994 through 2002. Also, Rwanda has faced only the extremes of party fractionalization, zero fractionalization from 1985 through 1994, and fractionalization of .876 from 1995 through 2002. Concomitantly, Rwanda has had poor revenue performance over the entire time period under study, reaching a high of only 12% of GDP in 2002.

We can also see the political hypotheses demonstrated longitudinally within the case of Ghana. This state progressed from a military government in 1985 with an

executive constraints score of one, to a score of three in 1992 corresponding to Ghana's re-democratization; and Ghana moved successively higher to a score of six in 2002 (following the democratic transfer of power in 2000). Meanwhile, party fractionalization has been kept moderate, reaching a high of .54 in 2002. An examination of Ghana's revenue performance reveals a steady progression upwards from 11% of GDP in 1985 to 18% of GDP in 2002. This mirrors the recovery of the Ghanaian state, from the brink of state failure in 1983 to emergence as a celebrated success story by the late 1990s.

Likewise, the states with higher values for executive constraints and lower amounts of party fractionalization tend to be indicated as stronger states by the FSI scores. Returning to Ghana, Ghana has high executive constraints of 6 and moderate fractionalization of .54. Ghana scores relatively low (consolidated) on each of the three FSI measures: 5.5 for delegitimization of the state, 4.4 for weak rule of law, and 3.5 for factionalized elites.

Another well performing state is Mali, with executive constraints measured at 5 and party fractionalization of .22. Mali also scores low (consolidated) across the FSI indicators: 4.6 for the delegitimization of the state, 4.7 for weak rule of law, and 3.5 for factionalized elites. On the other hand lies Chad, with an executive constraints score of 2 and party fractionalization of .60. Chad scores high (unconsolidated) on each of the FSI measures: 9.5 for delegitimization of the state, 9.1 for weak rule of law, and 9.5 for factionalized elites.

It may be that horizontal accountability is more relevant than party fractionalization. The results here show that a one-seventh movement across the range of party fractionalization tends to have a smaller effect than a one-seventh (one point)

movement across the scale of executive constraints. For this reason, and due to the fact that horizontal accountability requires more articulation as a concept than does the straightforward idea of party fractionalization, I now discuss some characteristics of horizontal accountability in Kenya.

Kenya and Horizontal Accountability

The history of horizontal accountability in Kenya is U-shaped, as is the quality of governance which has obtained in the country. Below I will briefly outline the descent and ascent of horizontal accountability and showcase some manifestations of the same within the context of executive-legislative relations.

From the immediate post-independence period thru the nadir of 1988 – with the use of *mlolongo* (queue) voting procedure – the Kenyan president reduced the efficacy of other state institutions by undermining their autonomy and by expanding his ability to deliver rents to other actors, such as parliamentarians. Kenya’s first two Controllers and Auditors-General had complained that the presidency was improperly distributing funds. President Kenyatta responded by exploiting the honeymoon he was still enjoying and having Section 122 of the constitution amended such that withdrawals of funds from the Consolidated Fund would no longer require the approval of the Controller and Auditor-General. Moreover, security of tenure was removed from this office in 1986. Subsequently, the Constitution of Kenya (Amendment) Act No. 4 of 1988 removed security of tenure from officers of the Public Service Commission, judges of the High Court and Appeals Court, and the Attorney-General.

The president's ability to deliver rents to his allies was aided by the Remuneration (Amendment) Bill of 1969. This bill empowered the President to (selectively) pay Cabinet Ministers a "gratuity" amounting to twenty per cent of their salaries, retroactively to April 7, 1962. Also, in 1971 the Ndegwa Commission recommended that civil servants no longer be barred from participating in private enterprises. Moreover, the Commission's report stated that it was perfectly understandable that civil servants' wealth may be enhanced, "perhaps substantially," by activities in the private sector.⁴ These developments fueled the (already existing) perception that attaining a government position was a path to wealth, and perhaps the most viable path to wealth. To enable the President to better protect his allies, the Constitution of Kenya (Amendment) Act of 1975 was adopted. Now infamously known as the Ngei Amendment, this additional paragraph to the Constitution allowed the President to cancel the non-qualification or disqualification of any person, by an election court, from standing as a candidate. This amendment was enacted to allow the President to grant mercy to Paul Ngei, a Cabinet member who had been found guilty of an electoral offence and had been barred from standing for reelection. Following adoption of the amendment, Ngei was reelected in a by-election.

As patronage increased, and the state's ability and/or willingness to deliver relevant policy outputs to the population decreased, opposition to the regime grew. Civil society continued to expand in both size and in action throughout the 1980s; and enough pressure was placed on Members of Parliament that loud calls for reform could be heard

⁴ Republic of Kenya. *Report of the (Ndegwa) Commission of Inquiry*. p. 13.

within and outside of KANU. The agitators for reform were responding to a Kenyan state that had been increasingly privatized (Lumumba-Kasongo 2002, 92), exhibiting tyrannical and arbitrary behaviors which were used, in part, to protect a conservative economic model. Security agencies were directed against domestic political actors due to their ideology or for other reasons; this is seen in the assassinations of Tom Mboya and Josiah Mwangi Kariuki. Moreover, President Moi upset the stable system of clientelism which had been built by Pres. Kenyatta. Rather than relying on the support of regional and district officials, Moi sought to create his own personal base of power in the countryside. One mechanism Moi used to accomplish this was the *Harambee* system of self-help projects, where he initiated policies without those policies having been examined by even his own cabinet (Barkan and Chege 1989, 437).

This concentration of power in the national executive worsened the quality of representation and provided the reformists with further motivation. Pressure from KANU dissidents, civil-society, and from international actors resulted in the Constitution of Kenya (Amendment) Act No. 2 of 1991. This Act repealed Section 2A of the Constitution and restored multipartyism; additionally, Sections 9(1) and (2) were introduced and these restricted the President to two five-year terms in office (these sections had no retroactive applicability). Furthermore, the Supervisor of Elections was eliminated and replaced with a nominally independent Electoral Commission of Kenya (ECK); yet, the President determined the composition of the ECK. These reforms failed to halt challenges to the legitimacy of the regime. It would be left to Parliament to resolve the crisis of regime legitimacy and thereby ensure a “soft landing” for the country.

In mid-1997 the Inter-parties Parliamentary Group (IPPG) was formed by seventy to eighty KANU MPs, and thirty to forty opposition MPs. This formed a seminal moment in the evolution of legislative autonomy in that KANU backbenchers had broken ranks with KANU's hardcore members closer to President Moi, and had seized the initiative to steer the country away from a political impasse. The IPPG's greatest success was in building confidence in the electoral system among KANU and the opposition parties: the Democratic Party, the National Democratic Party, and FORD-Kenya. The IPPG's first accomplishment prior to the 1997 elections was the Constitution of Kenya (Amendment) Act of 1997. This amendment: provided state funding for opposition parties (Section 1A); allowed coalition government (Sections 7 and 16(2)); increased the membership of the Electoral Commission of Kenya from eleven to twenty-one, with some members being chosen by the opposition parties (Section 41); and provided for twelve nominated members of parliament, chosen by all parties (rather than by the President) in relation to their numerical strength (Sections 33 and 82).

Aside from these constitutional changes, the IPPG was successful in creating broad consensus across the political parties concerning further legal reforms to liberalize the political environment in Kenya. President Moi would delay the enactment of many of the IPPG reforms; however, he no longer held sufficient dominance over the legislature to prevent the reforms' passage. The IPPG recommended that Sections 56-58 of the Penal Code be repealed; these sections treated sedition, and in some cases political speech, as criminal offences and had been abused by the government to stifle opposition. The IPPG

also recommended the repeal of Section 4(2)(a) of the Preservation of Public Security Act, which allowed for detention without trial. The IPPG recommended that the Kenya Broadcasting Corporation Act be amended to require more balanced access for various political parties. Furthermore, the IPPG recommended several amendments to the Chief's Authority Act (Cap 128), among them were: to prevent Chiefs from hiring "youth wing" members; to require the Chiefs to hand suspects they had arrested over to the police immediately; to limit Chiefs' powers to prevent acts which they believe may threaten the peace; to limit Chiefs' powers to seize property and collect money from individuals; and to prohibit Chiefs from participating in partisan politics.

This momentum of increasing legislative autonomy would continue over the next several years. On November 12, 1999 Parliament voted to pass The Constitution of Kenya (Amendment) Act of 1999; consequently, the President would no longer appoint the Clerk of the House; he or she would henceforth be selected by Parliament. Hence, the President would no longer control the Parliamentary agenda, budget and staff by means of his control over the Clerk's office. This Amendment would be further buttressed with the passage of The Parliamentary Service Act of 2000, which created a Parliamentary Service Commission (PSC). The PSC oversees the Clerk and the Deputy Clerk to the National Assembly, the internal auditing unit, the sergeant-at-arms, and other offices.

Have these institutional changes made a difference in government performance? Do institutions really matter, especially in Africa? The answer to these questions appears to be "yes." Not only has the ascendance of Parliament legitimized and re-consolidated

the Kenyan state but the existence of horizontal accountability is evident upon examination of Parliament's legislative and oversight functions. Moreover, horizontal accountability has resulted in superior representation (vertical accountability) for Kenyan citizens.

An examination of legislative activity shows that during Kenya's Eighth (1998-2002) and Ninth (2003-07) Parliaments 39.7% of introduced bills were enacted into law. While 91% of all bills are introduced by the government, one important piece of legislation, the Central Bank of Kenya (Amendment) Bill, was originally introduced as a private bill in 2000 and later passed as a government bill in 2004. No private bills were enacted during this period. However, careful attention to detail has been noted in Parliament's scrutiny of pending legislation. Despite only two debates on the floor, The Children Bill of 2001 was thoroughly discussed by the committee, together with various stakeholders from civil-society. No fewer than seventy-three clauses (plus various sub-clauses) were amended, deleted, or added. To accomplish the review of the bill, the committee interviewed individuals from organizations such as: the Child Welfare Society, the Law Society of Kenya, the Children's Legal Action Network, the African Network for the Prevention and Protection Against Child Abuse and Neglect, the Coalition on Child Rights and Child Protection in Kenya, and the Federation of Women Lawyers – Kenya.⁵

⁵ National Assembly. *Report of the Departmental Committee on Health, Housing, Labour & Social Welfare on The Children Bill, 2001.*

The eventual Children Act of 2001 provides for free and compulsory education for every child. Additionally, female circumcision and forced marriage are disallowed. Specifically, the committee amended clause 120(g) to require the annulment of early marriages, and to stipulate that such children be placed under the care of fit persons and be returned to school. The committee inserted several clauses requiring medical treatment and appropriate counseling for children found to be addicted to drugs, 52(c), or found to suffer from a mental illness, 52(d). Moreover, the committee sought to protect the identities of children who were the subject of any court proceedings by barring the publication of the child's name, home address or last address, school, photograph or other depiction, or the particulars of the child's relatives, among other things, clause 72(5). Moreover, the committee stipulated gender parity within some regulatory bodies, such as in clause 28(1)(j). To help ensure prudent fiscal management, the committee amended a clause, 139(7), to provide criminal penalties for any manager who fails to maintain proper financial records of contributions meant for the upkeep of children. The efficacy of this Act has clearly been demonstrated with regard to school enrollment; enrollment has increased from 5.9 million in 2002 to 7.6 million in 2007. Moreover, Kenya has accomplished near gender parity within at least some education levels.⁶

Parliament's oversight of Kenya's public finances depends largely on the work of the Public Accounts Committee (PAC) and the Public Investments Committee (PIC). While PAC is primarily concerned with supervising the financial accounts of government ministries and departments, PIC supervises the accounts of parastatals. PAC and PIC each produce extensive annual reports of their findings; additionally, the Treasury

⁶ "It's Tough Task Taking All to School and Ending Illiteracy." *Daily Nation*, April 25, 2007.

produces a detailed annual memorandum of the implementation of PAC's and PIC's annual reports. Parliament's Standing Order No. 147 (for PAC) and Standing Order No. 148 (for PIC) require that the Chairmen of these committees be from Parliament's Official Opposition. During the Eighth and Ninth Parliaments, PAC and PIC met an average of sixty-nine and sixty-five times per year, respectively.

A central and recurring concern of the Public Accounts Committee has been the under-generation of government revenue. This concern stems out of inefficiencies and/or a lack of probity at various state agencies, including: the Department of Customs and Excise, the Island Container Depot(s), the Kenya Revenue Authority (KRA), and the Port of Mombassa. During 1997 and 1998, the committee investigated and commented on nineteen specific cases of tax evasion and/or under-collection of duties. It is likely true that the cases which were investigated by PAC represent only the "tip of the iceberg." However, that PAC was able to press the relevant agencies for answers and results, resulting in the partial or complete recovery of duties in some of these cases, is not trivial. Civil and criminal court cases have resulted from the committee's activity, and this can be expected to deter malevolent behavior. For instance, in 1997 the Controller and Auditor-General indicated that a number of clearing agents had abetted the diversion of what were supposedly "transit goods" to "home use," thereby importing goods into Kenya without paying the required duty. The revenue lost was estimated at K£60,781,039.⁷ PAC heard testimony that this amount remained uncollected from thirty-nine companies as a result of fraudulent documentation on the part of some clearing

⁷ National Assembly. *Report of the Public Accounts Committee on the Government of Kenya Accounts for the Year 1997/98*, p. 50. 1 K£ = 20 Kenya Shillings.

agents. Consequently, the government had revoked or suspended the licenses of twenty-seven companies and twelve clearing companies had been taken to court.

Increasing revenue generation was being realized by the turn of the century. Further, when former PAC Chairman Mwai Kibaki took over as Kenya's President in 2003 he was well versed concerning the inefficiencies and infidelities of revenue collection in Kenya; and increasing effectiveness in this regard was a priority. President Kibaki and the National Rainbow Coalition (NARC) government instituted a tax amnesty from June 10, 2004 to December 31, 2004, which was later extended to January 31, 2005. Through bureaucratic changes and public statements NARC had signaled its intention to enforce the tax laws more stringently than they had been before. The response to the amnesty was strong; a total of Kshs. 4.41 billion was raised from 4483 applicants (mostly businesses).⁸

For its part, PIC directed considerable criticism towards parastatals which had flouted the "Tendering and Procurement Procedures." Specifically, The East African Portland Cement Company, KAA, the Kenya Ports Authority, Kenyatta National Hospital, and the National Housing Corporation were cited by PIC in recent years as having violated the procurement procedures. For instance, the Controller and Auditor-General had noted that the National Housing Corporation had awarded contracts without open tendering and, in at least one instance, had allowed a contractor to alter a contract in

⁸ "Tax Amnesty an Overwhelming Success." Kenya Revenue Authority. January 27, 2005.

a manner beneficial to the contractor.⁹ Such behavior led PIC to recommend that the former chief executive be surcharged for losses incurred during his tenure which were related to over-payment to, or under-performance of, various contractors. Moreover, that chief executive was eventually sued by the corporation for benefits, allowances, and an outstanding loan; the corporation's lawsuit was successful and as a result of case HCCC No. 131 of 2001 the former executive was ordered to pay Kshs. 20,391,607.50. Additionally, the individual in question was later referred to the Kenya Anti-Corruption Commission (KACC) for "appropriate action."

Indeed, in recent years PIC had recommended at least eleven high-level prosecutions; six of these had been carried out as of 2006. Furthermore, PIC made at least fourteen recommendations that high-level individuals have their salaries surcharged and/or their assets repossessed in relation to financial wrong-doing; at least five of these recommendations were executed.¹⁰ In addition, several parastatals have been rebuked by PIC for revising the Terms and Conditions of Service for senior officials without consulting the State Corporations Advisory Committee as required by Section 27 of the State Corporations Act (Cap 446). The impression created was that the executive branch was allowing its cronies within the parastatals to favorably revise their salaries and allowances. PIC stated that "...the Permanent Secretary, Secretary to the Cabinet and the

⁹ Republic of Kenya. *Report of the Controller and Auditor-General on the Accounts of the National Housing Corporation for the Year Ended 30th June, 2000.*

¹⁰ Republic of Kenya. *Treasury Memorandum on the Implementation Status of the Twelfth Report of the Public Investments Committee on the Accounts of State Corporations.* Nairobi, 2006, p. 9, 18, 20, 35, 52, 54, 58, 73.

Head of Public Service should adhere to the law and stop performing the functions of the State Corporations Advisory Committee.”¹¹

Final Remarks

In light of this discussion, questions arise regarding the intersection of party fractionalization, the type of representation, and the type of parties we can expect to emerge under various circumstances. Party fractionalization may have a negative effect on state consolidation due to its association with dyadic representation. Moreover, dyadic representation and fiefdoms of party and/or personal dominance are likely to be associated with patron party characteristics. Whereas *mass parties* limit the role of local elites by establishing local branch offices and auxiliary organizations, *patron parties* are content to leave local elites, such as legislators, as intermediaries between the party and society, and hence between the state and society (Schachter 1961). Thus, patron parties empower local elites at the expense of the state, and sometimes at the expense of the citizenry as well (due to efficiency distortions). It seems natural that patronage will be greater where patron parties dominate politics. Therefore, the acquisition and sustenance of mass party characteristics may warrant further attention. Hence, the party fractionalization variable can, and probably should, be deconstructed further into a collective versus dyadic representation variable and a mass party versus patron party variable – although doing so in a large-n study is likely to be difficult.

¹¹ National Assembly. *Eleventh Report of the Public Investments Committee on the Accounts of State Corporations 2002*. Nairobi, 2002. p. xiv.

The theory and evidence presented here indicate that the formalization of political activity, in an inclusive and mutually beneficial manner, will advance the process of state building in Africa. Informal political practices of accommodation may succeed in maintaining peace, but informal politics tends to be non-transparent, corrupt, reliant on personalities, efficiency distorting, and fragile. For these reasons, informal politics cannot provide a solution to the problems of regime stability and administrative capacity, and informal politics cannot conclusively resolve the issue of state legitimacy. Illlegitimacy derives, in large part, from a failure to provide social services; moreover, the effective provision of social services will require genuine representation. The exact form this representation should take cannot be prescribed at this time. Care needs to be exercised as institutional forms are borrowed from other regions of the world with different historical experiences. The recent thrust towards a wholesale adoption of liberal democracy will need to be tempered. As this analysis has shown, a proliferation of parties can worsen regime performance and, consequently, its legitimacy. African politicians and constitution drafters will need to remain focused sensible and concrete problem solving, for the purpose of improving the material conditions of the citizenry. When states' representative institutions, bureaucracies, judiciaries, and finances come to operate in formalized, democratic, and transparent fashions, then states will stop impeding economic progress and will instead be poised to support the socioeconomic transformation of society.

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