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REFORMING LOCAL GOVERNMENT IN DEVELOPING COUNTRIES:
IMPLEMENTATION OF A PARTICIPATORY BUDGETING PROCESS IN
KYRGYZSTAN

by

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ABSTRACT OF THE DISSERTATION

Reforming Local Government in Developing Countries: Implementation of a Participatory Budgeting Process in Kyrgyzstan

Engaging citizens in the decision making process is the fundamental principle of democratic governance. Making budget decisions transparent and open for citizens strengthens social accountability and restores the public's confidence in overall government (Tanaka, 2007).

This dissertation explores the challenges in implementing a donor-driven participatory budgeting process in the transitional country - Kyrgyzstan. It also seeks to examine the sustainability of participatory budgeting and its effect on local budgets and politics. This study employs a qualitative dominant sequential mixed methods approach and is built on the implementation theoretical framework. The study covers 16 local governments using face-to-face interviews with local administrators, experts representing donor agencies, and citizens. In addition, over 33 local governments were surveyed across five regions in Kyrgyzstan. The data was collected in several stages. In-depth interviews were conducted using semi-structured interviews, which were followed by surveys.

The qualitative analysis reveals that barriers hindering the implementation of successful participatory budgeting (P.B.) range from simple organizational issues - poor facilities and inadequate level of professional management skills - to complex problems, such as lack of trust and limited financial resources. This study revealed differences between challenges faced by urban and rural local governments. At the same time, the sustainability of budget hearings was found to be connected with local government capacity, local leadership, human capital, as well as the level of trust. Donor-driven budget hearings were found to be a sustainable practice. The interview analysis demonstrates some effect of budget hearings on improving efficiency of service delivery. Having budget hearings is perceived to empower not only citizens, but also local legislative council members.

The quantitative analysis - which employed the probability of conducting budget hearings as a dependent variable - confirms that individual characteristics of local leaders, local economic development, and the history of budget hearing are statistically significant and influence the probability of having budget hearings.

This study recommends the implementation of performance-based budgeting, citizen committees to oversee the inclusion of citizens' recommendations into the budget, and using multiple participatory tools along with budget hearings to make the process effective.

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levels made me interested in local government research. I dedicate this dissertation to you and progressive local leaders and activists in villages and towns in Kyrgyzstan, who, despite numerous challenges during the transitional process, are making all efforts in pursuing the path toward democratic, accountable and participatory local governance.

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CHAPTER ONE INTRODUCTION

Introduction

In this chapter, I will discuss the problem statement, which will elucidate the importance for undertaking this research project. This introductory chapter provides an overview of participatory budgeting practices in Kyrgyzstan, and will present the research questions to be examined. The chapter also elaborates on the theoretical implication of this research and seeks to define the notion of participatory budgeting in the structural context of Kyrgyzstan.

Problem statement and significance of study

In April 6, 2010, thousands of citizens in Kyrgyzstan marched to the streets protesting against corruption, lack of democratic decision-making, usurpation of power, and unresolved economic hardships. These protests, known as the Second Tulip revolution, led to violent clashes with government forces, and resulted in ethnic conflict in the southern regions. Denying citizen participation in decision-making for over a decade, by sustaining a fraudulent election system and limiting access to justice, resulted in the loss of 2,000 lives and a half million displaced people¹.

Kyrgyzstan is a transitional country with the lowest per capita income in the Central Asian region. High levels of poverty and its economic dependence on external resources create opportunities for various forms of experimentation to address the lack of “good governance.”

¹ <http://www.bbc.co.uk/news/10347472>

International agencies such as the United Nations and the World Bank have made the assistance program in improving governance and public administration a chief priority. Transparency in the budgetary process is crucial in this respect, since almost 20 percent of the country's budget revenues come in the form of foreign aid².

According to the Open Budget Index Report, which evaluates the quantity and type of information available to the public in a given country's budget document, Kyrgyzstan was measured at 8 percent out of the total score of 100 percent with regard to budget transparency in 2008. This meager value demonstrates the lack of transparency in Kyrgyzstan's government practice of budgeting and financing. The report also reveals that although several forms of budget reports are provided, as well as some form of a citizen budget; Kyrgyzstanis largely lack the knowledge on how their country's budget program is being executed.

In 1998, the Kyrgyz Finance Ministry began implementing budgetary reforms (Kalkanov, 2008). Budget hearings are one of the newer administrative techniques that are in use at the local government level in Kyrgyzstan since 1999. However, the implementation of this mechanism in Kyrgyzstan is primarily driven at the behest of donors. It should be noted that the first budget hearing, held in 1999, was sponsored and facilitated by the United Nations Development Program (UNDP) in the city of Naryn³. Ever since then, budget hearings have been continually conducted, with the ongoing support of various donors (Dobrezova, 2010)

² This is mostly to cover budget deficit <http://www.paruskg.info/2012/01/27/56642>
<http://eng.24.kg/business/2012/09/11/25624.html>

There is no commonly agreed definition of “participatory budgeting” (P.B.). The difficulty to define this concept invariably relates to differences in the practice of citizen participatory budgeting around the world. As Sintomer *et al* (2008) highlight, in some countries, the idea of “participatory budgeting” implies an informative event that does not emphasize consultation with citizens. In other countries, the mechanisms that feature an intensive participation procedure may not necessarily be termed as “participatory budgets.” Therefore, Sintomer *et al* (2008) suggest that a comparison of practices becomes unfeasible when using the “nominalist” definition of “participatory budgeting.” Similarly, an ontological definition that focuses on “what P.B. should be, at any time and in any country,” is unreliable because this procedure varies across countries (Sintomer *et al*, 2008). UN-Habitat (2004: 12) defines P.B. as “an innovative urban management practice with excellent potential to promote principles of good urban governance.” P.B. is also viewed as public management reform. According to Gret and Sintomer (2005), participation ideally should address the two main challenges of public management: overly technocratic nature of management and the issue of corruption. In general terms, P.B. has even been understood as public management reform. For this dissertation proposal, the definition of P.B. would connote the engagement of citizens in budget hearings at the local government level.

Table 1: Increase of budget hearings at the local level in Kyrgyzstan

Years	1999	2000	2001	2002	2003	2004	2005*	2007	2008	2009	2010*
Cities	1	4	11	17	17	18	22	15	8	6	
Villages					7	4		9	12	14	

*No budget hearing was conducted in 2006 (due to reforms) and in 2010 (due to political instability)

Source: Dobretzova, 2010

The existing literature highlights how several state and non-state actors promote participatory budgeting process around the world. The first players are political leaders and administrators. Political leaders will promote public policies through the internal mechanism within their political party. For example, the origin of P.B. in Porto Alegre (Brazil) is associated with the assumption of political power at the municipal level by the Workers' Party (Goldfrank and Schneider, 2006). Donors are another group of actors that influence the implementation of P.B., particularly in low-income countries. The notion of "donor" can mean international aid organizations, as well as aid agencies of foreign governments, such the United States Agency for International Development (USAID). Finally, participatory budgeting can also emerge from the grass root level, such as in China (He, 2011). Therefore, in some countries, the implementation of P.B. is from the topmost level of government; in other countries, the demand for citizenry involvement in budgeting process emerges at the grass roots level. For example, unlike Kyrgyzstan, in the Indian state of Gujarat, the role of local community organizations was fundamental in promoting P.B. at the local level (Paul, 2007). Essentially, civil society is the third actor in promoting participatory reforms.

Kyrgyzstan faces similar challenges as any other country in engaging citizens in the budgeting process, but given the nature of its transition to democracy, it also encounters some specific challenges that were not previously examined. Therefore, this research explores the origins and implementation of P.B. in Kyrgyzstan, and argues that the involvement of a third party, such as donors, creates some unique challenges in implementing participatory budgeting.

To elucidate briefly, local services in Kyrgyzstan are delivered by the country's 440 *Aimaks* (rural), as well as 25 municipalities (urban),⁴ which are also known as local self-governments. Among these local self-governments, only up to 30 of these administer public hearings *regularly* (Dobretzova, 2010) (See table 1 for some of the tracked numbers of budget hearings). Based on interviews and surveys collected among municipal officials, citizens, and experts (donors), this study examines participatory budget practices in Kyrgyzstan. Through this study, I expect to contribute to the current collection of research on participatory budget practices, given the dearth of studies on this subject in countries where there is a high level of influence from donors in the national policy making process. The need for this type of research was highlighted in particular by Cabannes (2004), who argues that international organizations and NGOs play various roles in the budgetary decision-making process and that their role, which has been barely discussed, deserves greater consideration. Finally, unlike previous research, this study uses three categories of informants: citizens, public administrators, and experts (donors) on the issue of participatory budgeting. As a result, this dissertation investigates the

⁴ <http://www.developmentandtransition.net/Article.35+M537ebf78098.0.html>

following central question: What are the challenges and opportunities in implementing a donor-driven P.B. process in Kyrgyzstan?

Theoretical Implication of the Research

Ebdon and Franklin (2006) suggest that the literature on budget participation can be grouped into three categories: 1) research that studies the effect of the governmental environment on budget participation; 2) the design of budgetary participation; and 3) examination of mechanisms that facilitate budgetary participation. However, the research on participatory budgeting is still in its nascent stage. In this respect, Goldfrank (2007) highlights several deficiencies in P.B. research. The first gap is a lack of rigorous cross-national analytical studies. The second gap is the absence of theoretical studies that link the design of P.B. with conditions present when was introduced. Final gap is the lack of research that examines the benefits of P.B. to the local government.

Most of the international research on participatory budgeting focuses on Latin American and European countries. Cabannes (2004), Folscher (2007), Krylova (2007,a), Krylova (2007,b), He (2011), Shall (2007), and Vodusek & Biefnot (2011) also study international cases of participatory budgetary practices, but most of their research is descriptive and lacks a strong theoretical underpinning. Studies that provide theoretical perspective on participatory research include Arnstein (1969), Goerz and Gaventa (2001), Franklyn and Ebdon (2002), and Folscher (2007).

The Public Administration studies on citizen participation therefore lack coherency with respect to the use of a theoretical foundation. One of the widely used theoretical foundations in studies of participation is the theory of democracy. However, the applications of the theory of democracy become less effective when used in relation to transitional countries due to the complexity of the political and economic environments in these countries.

Due to the nature of the research questions in this dissertation, I am employing the theory of implementation to understand the participatory budget reform processes in Kyrgyzstan. This goes along with other international participatory budgeting studies that tend to focus primarily on how citizen engagement in budgeting is being implemented around the world (Krylova (2007), Vodusek & Biefnot (2011); Cabannes (2004), Sintomer *et al* (2008), Folscher (2007), Shall (2007), and He (2011)).

The theory of implementation often tends to be employed in studies of policy design and government reforms, which makes the use of this theory particularly relevant for studies of budgetary hearings in Kyrgyzstan. Pressman and Wildavsky (1973) extensively discuss the normative aspect of implementation, but Hasenfeld and Brock (1991) go even further and develop a comprehensive political economy model of implementation research, which is based on six categories: policymaking, instruments, critical actors, driving forces, service delivery system, and output

Research questions

Based on the political economy model of implementation developed by Hasenfeld and Brock (1991), I developed the following research questions to examine the origins and particularities of participatory budgeting policy implementation in Kyrgyzstan.

Q1: What are the critical institutional barriers that influence citizen engagement in budgeting at the local level in Kyrgyzstan?

Q2: What is the level of sustainability of participatory budgeting at the municipal level as it is being promoted by donors?

Q3: How does participatory budgeting impact local politics?

Q4: How does citizen participation affect the design and implementation of the local government budgets?

The first three questions relate to how the particularities of Kyrgyzstan's political and socioeconomic environment and donor involvement affect the institutionalization and sustainability of participatory budgeting in Kyrgyzstan. The last two questions relate to the effect of citizen engagement on budget process and local politics. In regards to the Hasenfeld and Brock implementation model, this research focuses on instruments, critical actors, driving forces, and system delivery elements as the core blocks in the implementation of budget reform and participatory budgeting in Kyrgyzstan.

Outline of the Dissertation

This dissertation consists of six chapters. Chapter One is the introduction. The research questions and significance of this exploratory study are outlined. Chapter Two is a review of the existing literature on citizen participation with a focus on comparative research in participatory budgeting and theoretical framework. Chapter Three is devoted to the analysis of the political environment and the reform of local government in

Kyrgyzstan. The methods and the research design used in this study are discussed in Chapter Four. Chapter Five provides an analysis of interview and survey results using the qualitative dominant sequential mixed-method design. Chapter Six presents findings and limitations and discusses future research possibilities.

CHAPTER TWO: REVIEW OF RELEVANT BODIES OF LITERATURE

The literature on citizen participation can be broadly divided into several groups. The first group discusses factors that impact the participatory behavior of an individual (Berman, 1997; Brady *et al*, 1995; Pateman, 1970; Schachter, 1997; Verba *et al*, 1993). The second group of literature discusses various techniques that are used to facilitate participation (Adams, 2004; Bovaird, 2004; Cohen, 1995; Cole and Caputo, 1984; Dryzek and Tucker, 2008). There is a growing number of research which focuses on comparative analysis of participatory mechanisms in multiple countries. This is particularly characteristic to comparative studies of P.B. (Cabannes, 2004; Goldfrank, 2011; Kim and Schachter, 2012; Wampler and Avritzer, 2004).

Implementation of participatory budgeting around the world

Ebdon and Franklin (2006) suggest that the literature on budget participation can be grouped into three categories: 1) research that studies the effect of the governmental environment on budget participation; 2) the design of budgetary participation; and 3) examination of mechanisms that facilitate budgetary participation. However the research on participatory budgeting is still its nascent stage. In this respect Goldfrank (2007) highlights several deficiencies in P.B. research. The first gap is a lack of rigorous cross-national analytical studies. The second gap is the absence of theoretical studies that link the design of P.B. with the conditions under which it was introduced. The last gap is the lack of research that examines the benefits of the P.B. to the local government.

Most of the international research on participatory budgeting focuses on Latin American and European countries. The study of Vodusek and Biefnot (2011) on P.B. focuses on several Western and Eastern European countries⁵. In many European countries the participatory mechanism in the budgetary process is compulsory. Countries, such as Croatia, Poland, and Slovenia, have a regulation that requires authorities to provide an explanation when the comments of citizens are not factored in.

The first practice of P.B. originates in the city of Porto Alegre, Brazil. Porto Alegre, a city with a population of 1.3 million and a budget of US\$ 7 billion, has a reputation as a town with the strong civil society led by intellectuals and labor unions (Wagle and Shah, 2003). Santos (1998) notes that historically, Porto Alegre is known for its history of fierce political resistance to the military dictatorship.

The city has 16 regions, and the thematic debates cover several topics, which include transportation; education; leisure and culture; health and social welfare; economic development and taxation; and city organization and urban development. In March, the citizens select regional delegates. The first meeting between citizens and the executive body takes place in April “to review investment plans of the previous year, to discuss proposals for the New Year, and to elect people to the Fora of Delegates for subsequent deliberations (Wagle and Shah, 2003).⁶ The demands for investment in sectors presented by community members are discussed and scaled from “1” to “5” by the participants. The

⁵ Counties studied include: Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Latvia, Lithuania, Luxemburg, Malta, Monaco, Norway, Poland, Portugal, Slovenia, Spain, Switzerland, Turkey and United Kingdom.

⁶ A delegate is chosen for every 10 people if up to 100 people attend; 1 for 20 if 101-250 people attend, 1 for every 30 if 251-400 people attend, and so on, with 1 delegate chosen for every 80 people if more than 1000 people attend (Wagle and Shah, 2003)

third round consists of election of councilors who participate in the debates on allocation of resources (Wagle and Shah, 2003). A detailed description of actions taken at each stage of participatory the budget implementation process is presented in Table 2.

Table 2: Yearly cycle of participatory budget formulation and monitoring in Porto Alegro

March	Informal citizen gatherings to collect demands; no interference from the executive (mayor's office).
April	First regional plenary held between the citizens and the mayor's office to account for previous year's projects, discuss new proposals and elect delegates to the second round.
April – June	Intermediary meetings for delegates to learn technical criteria and discuss needs and priorities in each region; informal preparatory meetings with citizens and civic associations who rank their demands. The executive aggregates these together with two other criteria: i) how much access a region has had to a service, and ii) what its population size is.
June	Second plenary held when Councilors are elected and regional priorities voted.
July	44 Councilors installed at the Council of Participatory Budgeting (COP) – two (2) from each of the 16 regions, two (2) from each of the 5 themes and two (2) other representatives.
July –September	Council meets for at least two hours a week to discuss chosen criteria, demands of their constituents, allocation of resources as proposed by the mayor's office, etc.
September	New budget approved by the COP, and sent to the legislature for debate and endorsement.
September - December	COP follows the debate in the Chamber, the lobbies, while working separately on a specific sectoral investment plan for different regions; rules are also set for next year's round of meetings.

Source: Wagle and Shah, 2003

The institutional setup for P.B. in Porto Alegre consists of three groups of entities. The first group is made up of the following administrative units which manage the budgetary debate with the citizens: the Planning Office (GAPLAN); the Coordination of Relations with Communities (CRC); the Forum of Community Advisers (FASCOM); the

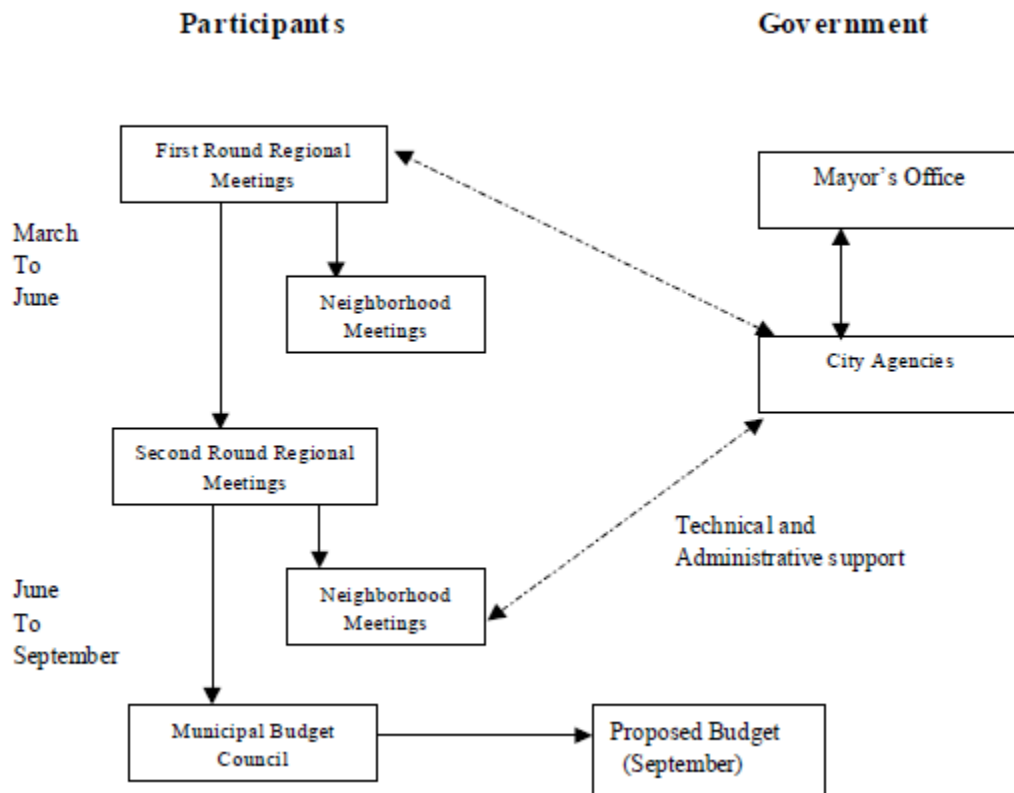
Regional Coordinator of the Participatory Budgeting (CROPs); and the Thematic Coordinators (CT). The leading institutions are GAPLAN and CRC.

The second group of institutions consists of community organizations, representing regionally-based organizations. They mediate citizen participation and choice of priorities.

The third group of institutions is made up of the following organizations that mediate interaction between the first two groups of institutions: the Council of the Government Plan and Budget; the Participatory Budgeting Council (COP); the Regional Plenary Assemblies; the Budgeting Regional Forum; the Thematic Plenary Assemblies; and the Budget Thematic Forum (Santos, 1998) (Please see figure 1 for details).

The public budget in Brazil covers three levels: federal, state, and municipal. It is worth pointing out that municipalities in Brazil enjoy relative autonomy in making decisions related to revenues and expenditures. In the three areas of expenditure - personnel; public services; and investment in works and equipment- participatory budgeting is being employed in relation to the third group of expenditures (Santos, 1998).

Figure 1: Yearly participatory budgeting cycle



Source: Wampler, 2000

Goldfrank (2007) notes several conditions that made participatory budgeting successful in Latin American countries. These are political will; sufficient resources; political decentralization; social capital; bureaucratic competence; small size; and legal foundation (although no national law requires budget participation in Brazil). Other features that facilitate participatory budgeting include: deliberation, focus on immediate needs rather than long-term planning, informal versus formal structure, and accessible rules and information (Goldfrank, 2007). In this respect, Goldfrank (2007) notes that in

comparison with other Latin American cities, the Brazilian cities are wealthier and more fiscally decentralized and also have more revenues to spend. Brazilian cities are also noted to have strong civil society organizations.

The program of the participatory budgeting in Brazil also tends to focus on immediate needs and direct participation of individuals rather than representative organizations that is common for Brazilian municipalities (Goldfrank, 2007). Dissemination of information is also well organized. For example, in the city of Porto Alegre, authorities use public busses and advertisement placements in government programs and newspapers to announce the holdings of public budgeting (Goldfrank, 2007).

Another international study on P.B. is demonstrated in the research by Cabannes (2004). Cabannes (2004:34) highlights that countries differ with respect to the participatory budget per inhabitants. For example, the French municipalities of St.Denis and Bobigny may have a high budget-to-inhabitant ratio (\$2,200 per inhabitant), but have a low participatory budget per inhabitant (slightly over \$20 per inhabitant). On the other side of the spectrum are the Brazilian municipalities of Porto Alegre and Mundo Novo (Brazil) which discuss 100 percent of their resources with its population. On the question on how P.B. influences municipal revenues, Cabannes (2004) refers to the cities of Campinas, Recife, and Cuenca which reported an increase in tax revenues, and the city of Porto Alegre, which reported a 5 percent drop in tax delinquency because of the engagement of its citizens in budgetary decision-making. The control over

implementation of budgets is carried out in various manners across municipalities as well.

Another issue that is highlighted by Cabannes (2004) relates to the format of participation. Some cities in Brazil, such as Porto Alegre, encourage direct participation of citizens through plenary meetings. However, the participation rate in through these meetings may vary from two percent to seven percent of the population across Brazilian municipalities.

The budgetary participation takes place through representation mechanisms as well. For example, in the city of Cotacachi, 788 people represent 90 percent of the organizations in the canton (Cabannes, 2004: 36).

Countries also vary with respect to who has the final say on budgeting decisions. In some Brazilian cities for example, the COP has to finalize the budget. In other cases, the municipal council approves the budget first, for discussion the following year by the executive branch and the population. This particular practice is known as “transversalization.” In the third case, a mayor of the municipality has the final say on the budget (Cabannes, 2004).

Another outcome of P.B. is that it can assist in engaging excluded groups of the population. For example, the city of Ilo in Peru established a gender quota to ensure that 50 percent of its delegates are women (Cabannes, 2004). Finally, the control over the implementation of budgets is carried out in various manners across municipalities.

Although many diverse forms of participatory techniques were introduced in Europe, the effects of these experiments are yet to be analyzed. As Sintomer *et al* (2008) point out, P.B. contributed to improving the communication between citizens and administrators and the political elites. However, these practices did not increase the voters' turnover (Sintomer *et al*, 2008). Given the short history of these experiments, the consequences of these political technologies will be more discernible in the long-term perspective.

In the study of P.B. in Peru, Hordijk (2009) highlights several distinct features of this country's implementation of P.B. First, P.B. was implemented as the local governments in Peru were undergoing fiscal decentralization and were assigned more responsibilities and more financial resources. In comparison with other countries, such as Brazil, the civil society in Peru was weak when participatory technologies were introduced. As result, P.B. in Peru was primarily a top-down process, compared to Brazil's bottom-up development of culture and policies to engage citizens in budgeting (Hordijk, 2009). Hordijk (2009) also highlights that Porto Alegre also enjoyed several conducive environment for participatory budgeting, such as the existence of the affluent neighborhoods with average income, education and life-expectancy levels above the national average.

Given the increasing practice of P.B., there is a growing number of practical guide materials related to the implementation of participatory budgeting. One of this is the 2004 United Nations Habitat Toolkit for Participatory Budgeting. The UN- Habitat developed this toolkit based on the analysis of several best practices on participatory budgeting.

The toolkit discusses cases related to the implementation of participatory budgeting. For example, cities that had successful P.B. met several conditions, such as: 1) a clear political will of the mayor or other municipal decision-makers; 2) presence and interest of civil society organizations; 3) a clear definition of the rules of the game; 4) full participation of the population in formulating the rules; 5) the will to build the capacity of the population and public officials at the local government level; 6) the widespread dissemination of the information on dates and venues of meetings, and the rules; and 7) the prioritization of demands set by the population, which allows a fairer distribution of resources (UN-Habitat, 2004). The toolkit also highlights that transparency and honesty in the administration of local government is also another important mechanism for a functional participatory budgeting.

The implementation of P.B. in many countries demonstrates that this technique, when used correctly, could help preventing bureaucratization and corruption. In many successful P.B. cases, the work of councilors and delegates is non-remunerative. In addition, prohibition of reelection of delegates and councilors prevent potential corruption. In cities such as Porto Alegre, public employees cannot be P.B. Delegates (UN-Habitat, 2004).

Different practices are used in relation to institutionalization of participatory budgeting. For example, the majority of the Brazilian cities prefer not to institutionalize or legalize participatory budgeting. The main reason behind non-institutionalization relates to the idea that it preserves the dynamics of the process and creativity, allows self-regulation, and prevents bureaucratization and political co-optation (UN-Habitat, 2004:

76). However, some aspects of P.B. still require legalization. In this respect UN-Habitat (2004) highlights the following elements that need institutionalization: 1) insertion of the participatory budget in the municipal finance law; 2) designated budgetary line voted on or approved; 3) municipal decree recognizing the participatory process; and 4) the provision of resources for the municipal participatory budget team; and other aspects.

On the question related to the appropriate number of participants required for a participatory budgeting, UN-Habitat (2004) suggests that the normal figures range between one (1) per cent and 15 per cent of the voting population. A higher rate of participation is observed in cities of smaller size, although there is a high degree of turnover, and the number of participants is varies in different years. Cities that use participation thorough representatives of social organizations use other approaches in calculating participation rate (UN-Habitat, 2004: 54-55).

The proportion of the budget presented for the debate also differs among countries and across time. Table 3 demonstrates the distribution of capital budgets debated during budget hearings in the case of Brazilian municipalities.

Table 3: Proportion of capital budget debated in the P.B. (1997-2003) in 103 Brazilian municipalities

Proportion of capital budget debated	Number of municipalities	Percentage of all municipalities
From 1 to 10%	15	15
From 11 to 20%	5	5
From 21 to 30%	4	4
From 31 to 40%	5	5
From 41 to 50%	7	7
From 51 to 60%	0	0
From 61 to 70%	2	2
From 71 to 80%	5	5
From 81 to 90%	1	1
From 91 to 99%	0	0
100%	22	21
Does not debate resources	10	10
No response	27	26
Total	103	100

Source: UN-Habitat, 2004

Shall (2007) examines how population participates in budgeting at the local level in South Africa. The author highlights that one of the distinct features of the South African local government is the diversity of the local governments, ranging from urban and semi-urban to rural. The legal framework developed in 2000 demands that municipalities consult the public in the decision making process. However, each of the 284 municipalities has its unique context and capacity. Among the participatory mechanisms employed in South Africa are the creation of sub-council participatory system, public meetings, public hearings, consultative sessions, report-back meetings, advisory committee, focus or interest groups, formal advertising in the press, opinion polls, e-government, community radio and community press, petitions, and questions to the council. The author evaluates citizen participation in two municipalities- Mangaung

and Ekurhuleni- which utilize ward committees, Integrated Development Plan (IDP), and other consultative forums to engage citizens in the decision-making. The Mangaung municipality organized a budget conference in 2004 which pursued several goals including discussing demands for investment, clarifying roles of external stakeholders, and making a final decision on the draft budget. The author highlights that the techniques used to engage citizens are formal and that there is a need for capacity building in communities. The author also underscores the need to address language and education barriers that prevent broader community participation in both municipalities. The author points out that the impact of participation on resource allocation and tax policies remains questionable given the fact that a large proportion of the budget of municipalities is spent on salaries, purchases and capital projects in progress, with the limited amount for discretionary spending.

Krylova (2007) examines civic participation in sub-national budgeting in Ukraine. As in other transitional countries budget hearings in Ukraine tend to be supported by the international development agencies. As in the case of South Africa, the main challenge of the effectiveness of budget hearings in Ukraine relates to the lack of capacity at both local government and civil society levels. The author also warns that given the nature of “invited participation” (when the participants for the budgetary hearings are selected by local government), there is a possibility that public engagement may become co-opted by the government.

Another research by Krylova (2007b) relates to citizen participation in sub-national budgeting in Russia. The P.B. project in Russia began in 1998 with the support

of local NGOs, and organizations such as the Ford Foundation. The barriers for authentic participation in budgeting in Russia include a wide-spread illiteracy regarding the law and other rights, the weakness of local media, a low interest in transparency issues among the local business community, and mutual distrust between authorities and local non-governmental organizations (p.80). The author also highlights that given frequent changes and the continuous political turbulence, there is some difficulty in obtaining empirical evidence that may demonstrate the positive impact of citizen participation on budgetary changes (p.82).

Bland (2011) examines the implementation of P.B. in post-war El Salvador. The author explores what particular conditions facilitated the implementation of P.B. in El Salvador. A prior research has already developed a list of primary and secondary conditions and these conditions focused on the Latin American region (See table 4). The author highlights that the “lack of experience with citizen participation and the absence of representative structures to facilitate the process of government-citizen interaction” were the main problems encountered while implementing participatory budgeting in El Salvador. The local NGOs, which received technical assistance from the projects sponsored by international donors, helped organize the community (p. 868). On the question of sustainability of participatory budgeting, Bland (2011) highlights that “nearly 40 percent of the P.B. experiments in DLGA⁷ municipalities have been entirely discarded” and remains in actual use in only nine of the municipalities (p. 871). The author notes that factors such as the centralized government system, a strongly

⁷ Democratic Local Governance Activity, a USAID project

institutionalized party system, limited independent citizen participation, and political manipulation by mayors, have prevented a genuine P.B. in El Salvador. The author, however, posits that even in the environment that appears to be non-conducive for participatory budgeting, some positive results can be obtained when participation is promoted externally. In particular, when it refers to building the foundation for institutions (see table 4 for conditions highlighted by Bland, 2011).

Table 4: Primary and secondary conditions for effective P.B.

<i>Primary conditions: required</i>
<ul style="list-style-type: none"> • Mayor's commitment and political strength to institute the process • Access to financial resources for projects and programs • Political decentralization: election of local officials • Independent decision-making authority by participants
<i>Secondary conditions: helpful</i>
<ul style="list-style-type: none"> • Organized and participative civil society • Technically qualified personnel to implement P.B. • Widely known or easily accessible rules for P.B.

Source: Bland, 2011

Suwanmala (2007) studies citizen participation at the local level in Thailand. Using the case studies of several municipalities, the author highlights several particularities that influenced citizen participation in Thailand. In two municipalities the role of mayoral leadership facilitated civic participation in local management. The culture of citizen engagement was another factor that played a positive role in citizen participation. This was particularly characteristic for the city of Khon Kan, which had a previous experience in engaging citizens in a constitutional drafting process. As in other low-income countries, some of the projects related to citizen participation in Thailand are sponsored by outside donors. This is characteristic for projects in the cities of Khon Han and Rayong, which were supported by the Danish agency DANCED (Suwanmala, 2007).

Thailand uses various mechanisms to engage citizens. These include city hall meetings, civic form consultations, citizen/household surveys, budget guides, and civic forums for planning and budgeting. However, as Suwanmala (2007) highlights, the quality and magnitude of engagement is different across these mechanisms. And the highest level of engagement is observed through civic forum planning and budgeting.

The author highlights that citizen participation had several positive effects in Thailand. First, it contributed to the improvement in the quality of local public services. Second, the mechanisms such as civic forums were effective for trust and consensus building in “fragmented” and conflicting communities. Other mechanisms, such as city hall meetings and consultative forums helped to “shift politics from an authoritative, bureaucratic, elite-driven insiders’ activity to a more public, open mode of decision-making involving citizens (p. 150).” Finally, the impact of citizen participation in improving tax collection was particularly evident in the Rayong City.

Although it may appear that P.B. in developing countries tended to be implemented top-down, people in developing nations can also instigate their proactive participation in decision-making. He (2011) notes that in Shenzhen, (China), three citizens began demanding access to budget information in 2006. These citizens had to go through trials and only in 2008 were they permitted by the Shenzhen Department of Public Health to access the health budget (p.128). This led to the widespread disclosure of budget information by a third of 92 departments in Shenzhen in 2010 (p.123).

P.B. in many developing countries is also promoted by the World Bank (He, 2011). For example, in China the World Bank assisted in funding the P.B. experiment in Jiaozuo City.

Another international institution that promotes P.B. is the Ford Foundation. In China, the Ford Foundation “provided funding for research, conferences and even cost of P.B. experiment (He, 2011: 125).”

The literature on budget hearings is well-developed and is presented primarily by case studies of different local governments (Kim and Schachter (forthcoming), Ebdon and Franklin (2004), and Ebdon (2000). Various issues and problems with current state affairs of budget hearings in the US were noted as well (Cole and Caputo 1984, Lando 2003). Commentators uniformly note that the success in hearings require an extensive prehearing preparation followed by post-hearing meetings where administrators communicate hearing results to residents (Baker et al (2005).

Searching for theory in participation research

The theoretical framework that is often used in the American literature on participation focuses on several variables that are claimed to influence implementation of participatory techniques: the size of the city, the form of government, and the legal requirements governing citizen input (Franklyn and Ebdon, 2002). Larger cities are more inclined to create formal opportunities for citizen engagement while the council-manager form of government created a more conducive environment for citizen participation (Franklin and Ebdon, 2002). Another facilitating factor is a state statute or city charter which mandates citizen participation. City officials use various techniques to select the

participants. For example .open invitations or selection of participants based on geographical areas is often employed.

Folscher (2007) cites Goerz and Gaventa (2001) who argue that the organization of the political system determines the quality of participation of citizen groups and lobbies. In this respect Folscher (2007) goes on and suggests that a functional multi-party system is important for citizen participation. According to Folscher (2007), countries that have a party system based on “personalism and clientelism” rather than a political platform, create an unfavorable environment for the development of civil society groups. In other words, a combination of negative political environment, absence of citizen interest and capacity to act, as well as the lack of vibrant local organizations prevent the development of P.B. (Folscher 2007: 134).

Arnstein (1969) is one of the widely cited authors in citizen participation research. Arnstein categorizes various degrees of participation and this categorization is often used as a theoretical framework. In some studies on citizen participation Arnstein’s categorization is used as a theoretical foundation. However, this categorization may not work in relation to all forms of participatory tools and across countries. In this respect, the lack of a theoretical framework in the studies of citizen participation is evident.

As a result, the theory of implementation is the most appropriate for the research on budgetary reform process in Kyrgyzstan. This goes along with other international participatory budgeting studies that tend to focus primarily on how citizen engagement in budgeting is being implemented around the world (Krylova (2007), Vodusek & Biefnot

(2011); Cabannes (2004), Sintomer *et al* (2008), Folscher (2007), Shall (2007), and He (2011)).

Implementation theory

The emergence of the implementation theory goes back to Pressman and Wildavsky's 1973 publication. Implementation theoretical framework tends to be often employed in studies of policy design and government reforms, which makes the use of this theory particularly relevant for studies of budgetary hearings in Kyrgyzstan.

Barrett (2004) debates what implementation studies are trying to do and whether they are about prescription or description. Barrett (2004:255) further notes that top-down approaches are regarded as mostly prescriptive, whereas bottom-up studies "tended to focus on understanding and explanation on the basis that is it not possible to prescribe without understanding."

Similarly, Saetren (2005) examines the state of implementation research, but through the content analysis of the journals in relation to their focus on implementation research. The author notes an exponential growth of implementation research since the 1980s and its multidisciplinary nature. Saetren (2005) finds that from 1933 to 2003 7,300 English publications used implementation or implementing as a title word. Among these publications 2,773 were doctoral dissertations. The author also underscores that implementation research is very fragmented, and suggests that instead of creating more research, better implementation studies are needed.

The body of implementation research is divided into three generations. The first generation of implementation research argues for a top-down linear implementation process. This body of research emphasized the important role that policy-makers play in the process of implementation. The second generation of implementation research advocates for bottom-up models of implementation. In this respect, “bottom-up models assume the existence of a network of actors whose goals, strategies, and actions must be considered to understand implementation (Denhardt and Denhardt, 2003:107).” In addition, in the bottom-up perspective, control and the exercise of discretion at the bottom by the bureaucracy is viewed to be appropriate (p.108). The second generation of implementation studies regarded the role of the political, social, and economic environment to be important.

The third generation of implementation studies prioritized the role of policy design and policy network to be critical in successful implementation. The third generation of implementation research views implementation as an interactive process and notes that numerous variables, including individual actors, human behavior considerations, and organizational factors and other circumstances influence the implementation process (Denhardt and Denhardt, 2003).

Denhardt and Denhardt (2011) also propose that implementation studies during the New Public Management period emphasized “efficient implementation literally from the side-from the private sector into the public domain, and from the bottom-from its customers (113).” On the other hand, in the era of the New Public Service, “a primary focus of implementation is citizen engagement and community building (p114).”

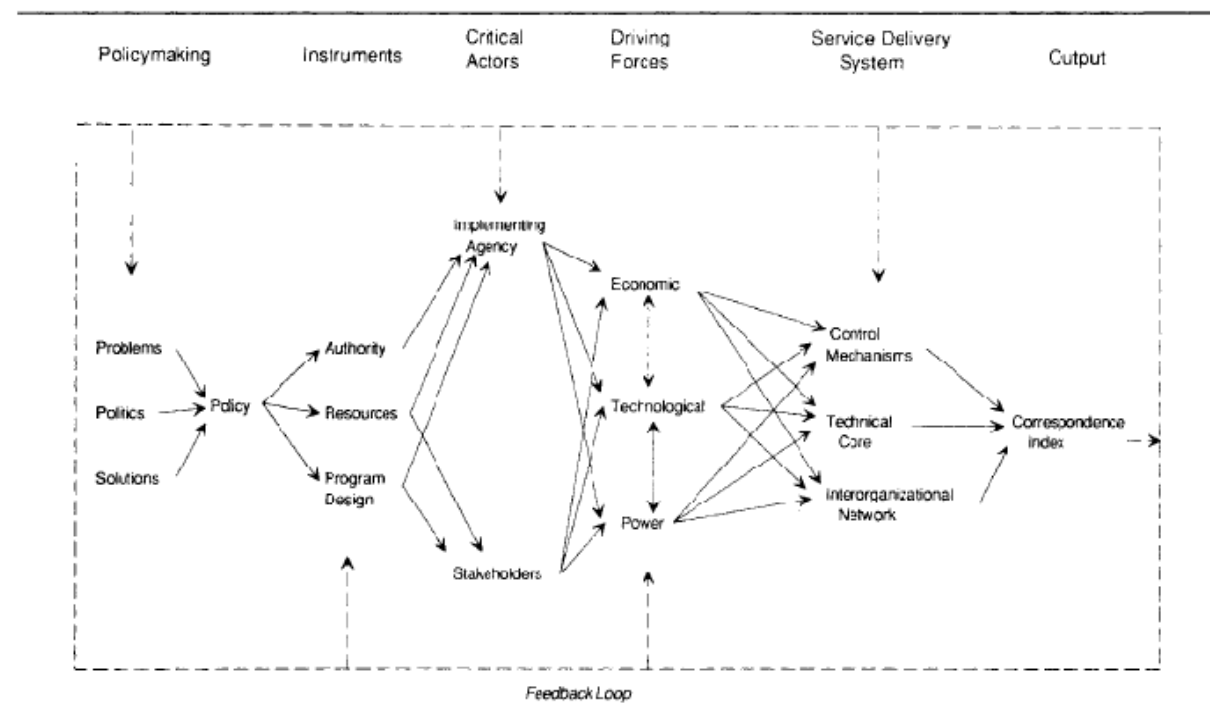
Pressman and Wildavsky (1973) discuss the notion of “implementation” and note that it is often used in relation to policy implementation. At the same time the idea of policy can be used differently. In some cases policy implies a broad statement of goals and objectives. In other cases, policy is equivalent to the actual behavior/action (for example, hiring minorities) (p. xiv). Pressman and Wildavsky (1973) also note that implementation does not refer to creating the initial condition and that lack of implementation does not suggest failure. The authors further highlight that implementation may imply “the ability to forge subsequent links to the causal chain so as to obtain the desired results (p.xv).” Several reasons for faulty implementation are discussed. These include: setting goals too high and the possibility of a mismatch between means and ends. In this respect, Pressman and Wildavsky (1973) suggest that implementation studies should focus on understanding and evaluating all the stages and sequences of events as well as looking at the complex chain of reciprocal interaction between the events and policy design.

Hasenfeld and Brock (1991) go even further and develop a comprehensive political economy model of implementation research, which is based on six categories: policymaking, instruments, critical actors, driving forces, service delivery systems, and output. The policy making implies problem, politics and solution. The instruments of implementation consist of authority, resources and program design. The critical actors include implementing agency and stakeholders. The driving forces that explain patterns of implementation are: 1) technological; 2) economic, and 3) political. In this respect Hasenfeld and Brock (1991) note that “implementation becomes a nonissue when the

technological specifications of the policy are unambiguous; when the costs do not exceed available resources; and when the power to implement is fully concentrated.” They further note that “it is because these conditions rarely if ever exist that the implementation of social policies becomes complex and worthy of study (p.456).” In the service delivery system, Hasenfeld and Brock (1991) separate control mechanisms, technical core, and inter-organizational network. With respect to the service delivery system, Hasenfeld and Brock (1991) propose that service delivery is shaped by the nature of the driving forces and the degree of technological certainty, economic stability, and concentration of power. The authors combine the technological/economic and power forces and create a matrix that predict the service delivery, where being in the cell 1 guarantees a successful delivery of policy implementation (Please see figure 2 and 3)

Hasenfeld and Brock (1991) also note that any implementation framework should also include consideration of exogenous shocks –events which are beyond the implementators’ control. The exogenous shocks refer to changes in the socio-demographic, cultural, technical, economic, and political-legal environment (473). In the case of Kyrgyzstan, the continuous political turbulences, including constitutional changes, impact of the financial crisis, and a high emigration rate in rural regions may be viewed as some of the exogenous factors affecting participatory budgeting.

Figure 2: Political economy of implementation



Source: Hasenfeld and Brock (1991:465)

Figure 3: Driving forces and service delivery system

		<i>Power</i>	
		Concentrated	Dispersed
<i>Technical/ Economic</i>	Certainty	T = highly integrated I = highly coordinated C = structure, process, and outcome (1)	T = moderately integrated I = somewhat fragmented C = process and outcome (3)
	Uncertainty	T = somewhat fragmented I = moderately coordinated C = structure and process (2)	T = highly fragmented I = uncoordinated C = structure (4)

*Note: T-technological core; I-inter-organizational network; C-control mechanisms

Given the research focus of this dissertation, I employ the political economy model of implementation developed by Hasenfeld and Brock (1991) to examine the origins and particularities of participatory budgeting policy implementation in Kyrgyzstan.

The use of theory in qualitative approach may attempt to: 1) generate a theory; 2) perform theory elaboration; and 3) test a theory (Lee *et al*, 1999). Given the context of this study, this dissertation elaborates on the implementation theory. The theory elaboration in particular implies a real world application of some of the existing variables (Lee *et al*, 1999:166). As a result, based on the implementation study that was developed in the early 90s, this dissertation examines the extent to which implementation model by Hasenfeld and Brock (1991) is applicable to policy implementation in a developing country at the present stage.

Following the implementation framework approach, the questions examined are as follows:

Q1: What are the critical institutional barriers that hinder an authentic citizen engagement in budgeting at the local level in Kyrgyzstan?

Q2: What is the level of sustainability of participatory budgeting at the municipal level as it is being promoted by donors?

Q3: How does participatory budgeting impact local politics?

Q4: How does citizen participation affect the design and implementation of the local government budgets?

The following eight propositions are developed from the literature analysis.

P1: Lack of trust towards the government and the high level of corruption hinder engagement of citizens in participatory budgeting process.

P2: Organizational factors such as a low level of government administrators' professionalism prevent the implementation of a successful participatory budgeting.

P3: The lack of economic resources of local municipalities (local budgets have insufficient amounts of discretionary resources) hinders implementation of participatory budgeting.

P4: An exogenous factor such as a high level of emigration lowers people's commitment to the issues of local government.

P5: The level of sustainability of budget hearings depends on the type of municipality studied, as well as on the level of support of this initiative by the civil society, local governments, and citizens.

P6: The use of participatory budgeting addresses the problem of lack of access to budget information at the local level.

P7: The engagement of donors in the implementation of the process prevents local government from manipulating budget hearings.

P8: Budget hearings have little effect on budget design or execution due to lack of enforcement of citizens' recommendations presented during the budget hearings.

Summary

In this chapter the overview of the previous research participatory budgeting was presented. Specifically, the analysis of the international P.B. research was covered. This chapter highlights that lack of theoretical foundation is evident in the current state of affairs in participatory budgeting studies. Furthermore, most of the existing research is descriptive. As implementation process of P.B. differs across the countries, this research employs implementation framework to understand the major players, roles and process of implementing P.B. at the local level in Kyrgyzstan. The chapter concludes with the four research questions and eight propositions developed in this research.

CHAPTER THREE

LOCAL ADMINISTRATIVE REFORMS AND BUDGETARY PROCESS IN KYRGYZSTAN

Introduction

This chapter overviews the major administrative reforms that have been taking place in Kyrgyzstan since its independence. The first part discusses reorganization of the local government and various legislative changes introduced to address inefficiency of the old soviet administration in the environment of a market economy. The second part discusses public finances management at the local government level.

Local administrative reforms

Most countries around the world consist of several tiers of government. Even though it is a unitary state with a small population, Kyrgyzstan contains several sub-national levels of government. The administrative division in Kyrgyzstan is hierarchical and inherited many features from the centralized soviet system. The country has four levels of administration: central, province, district, and local government (villages and towns). In previous years, attempts have been made to eliminate the hierarchical structure, as the old system became inefficient due to the transition towards a market economy. In 2007, and again in 2012, changes were introduced to eliminate some levels of administration. In 2007, for example, a two-level budget structure was implemented: the central level (which consolidated the province and district level of budget) and the separate budget system of local self-governments. The reform led to some level of fiscal

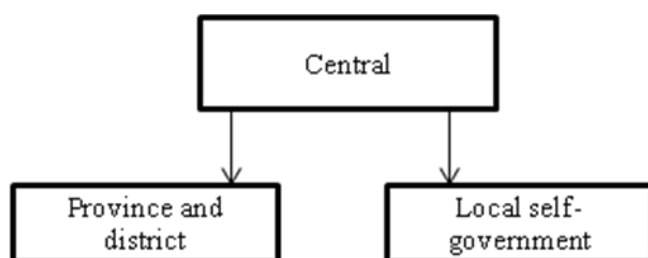
independence for local governments, especially with respect to the ability of local governments to retain some of the local taxes collected. An analysis of the 2007 reform, which allowed local governments to retain taxes and enjoy other elements of independent financial decision making, demonstrates that 48 out of 54 local governments examined exceeded the performance expectation for revenue collection at the local level. For example, 28 local governments exceeded local revenue generation from 100 percent to 400 percent, while six local governments collected over 400 percent of revenues. (Kurmanbekova, 2010). The 2007 reform was reverted in 2008, but re-implemented again in 2012 (Figure 4).

Figures 4: Comparison of old and new hierarchical structures

1. OLD System Budgetary Process



2. NEW System of Budgetary Process



In general, the process towards political and fiscal decentralization in Kyrgyzstan began as early as 1991. Fiscal decentralization reflects the level of distribution of financial power and authority between various tiers of government. Conventional wisdom states that decentralization has a positive impact on a country's economic growth and welfare. Delegation of authority to the local government over a portion of national finances promotes allocative efficiency by closely matching the local supply and demand for public goods. This results in individual utility maximization and more efficient economic growth (Musgrave (1959), Oates (1972), and Tiebout (1956)). Some believe that in the case of transitional countries, this proximity must play an even greater role given that the vulnerable population depends heavily on the government's action for their survival (Besley and Burgess 2002).

The origins of fiscal decentralization across the world are diverse. In post-Soviet countries, decentralization was facilitated by donor countries as a transition element in moving towards a market-based economic system and was linked to the notion of de-bureaucratization of the market and business sector⁸.

⁸ H.Dubois and G.Fattore. Definition and Typologies in Public Administration Research: the Case of Decentralization. *International Journal of Public Administration*, 32, 704-727, 2009

The active involvement of international organizations is a principal feature of fiscal decentralization in Kyrgyzstan. For example, in 1992, the Council of Europe, World Bank, USAID, UNDP, OECD, and OSI launched the Fiscal Decentralization Initiative (FDI) for Eastern Europe and Central Asia⁹. The program's purpose is to provide concerted and streamlined assistance in the implementation and advancement of social, economic and governmental reforms, including institutional reform and fiscal management in transition countries.

Donors promote fiscal decentralization for anti-poverty purposes. Given that local government is more informed about community needs, foreign aid given at the local level is supposedly more efficient than at the central level (Lessman and Markwardt, 2009).

The current local government administration in Kyrgyzstan consists of 7 regions, 40 districts, and 472 local self-governments. It should be noted that the heads of regions, districts, and local self-governments (villages and cities) are all appointed. The local government system has an executive branch (appointed) and legislative council members elected by the population (Figure 5). As Mukanova (undated) highlights, the heads of the local executive branch have “dual personal loyalty and are typically less responsive to the local needs.”¹⁰ The centralized administrative structure is reflected in the budgetary process in Kyrgyzstan.

⁹ In 2008 the program was discontinued. More information is at the Local Government and Public Service Reform Initiative accessed at http://lgi.osi.hu/documents.php?m_id=191

¹⁰ <http://unpan1.un.org/intradoc/groups/public/documents/nispacee/unpan043638.pdf>

Figure 5: Local Government Administration

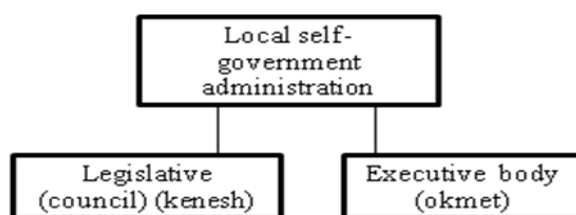
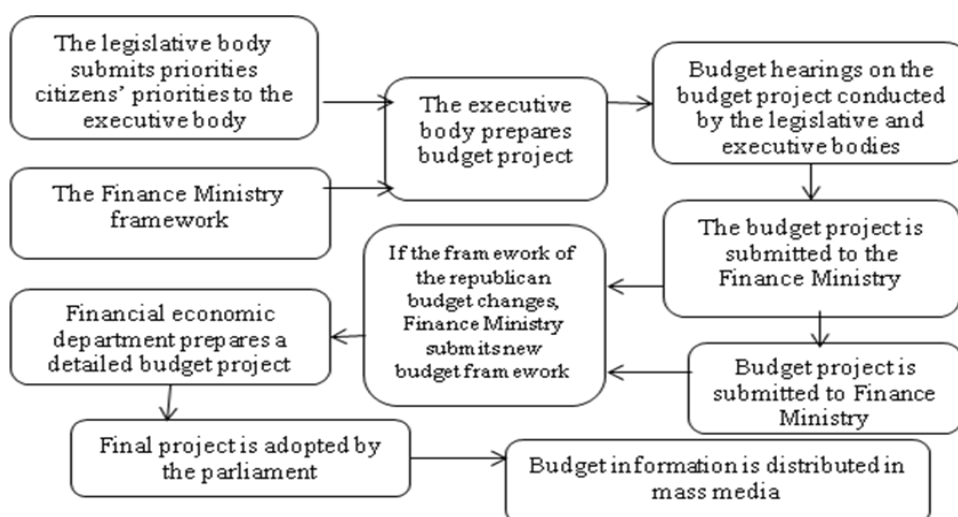


Figure 6: Budget process in Kyrgyzstan



Source: Swiss Agency for Development and Cooperation (2011)

The possibility for engaging citizens exists either during the process of adopting the draft budget for the forthcoming year or reviewing the implementation of the previously adopted budget after the year is completed (Figure 6).

There are several legal documents that refer to citizen participation in the budget process. These are:

- The 2010 Constitution;
- Law on Access to Information Under the Competence of State Authorities and Local Self-government Bodies (2006);

- Law on the Financial Economic Foundation of the Local Self-governance (2004);
- Law on Main Principles of Budget Law in Kyrgyzstan (1998);
- The 2010 Decision of the President of the Kyrgyz Republic on the Improvement of Interaction between Public Administration Institutions and the Civil Society created legal framework for institutionalization of access to information and citizen participation in decision-making;
- Law on Guarantees and Free Access to Information(1996);
- Law on Local Self-Governance and Local Self-government Administration (2008).

In this respect, article 33 of the Constitution highlights, that “everyone has the right to freely search, obtain, store and use the information and distribute it verbally, in a written way, or by other means. Everyone has the right to obtain the information on the activity of state bodies, local governments and their personnel.... Everyone is guaranteed the access to information under the competence state bodies, local government and their civil servants.”

The requirement of holding budget hearings is stipulated in the Law on the Financial Economic Foundation of the Local Self-governance in Kyrgyzstan. According to article 13 of the Law, “reviewing and adopting budgets of local self-government is carried out publicly at the open session of the local councils and public hearings.” It is also noted in the law that the local councils’ budget decisions are required to be distributed through the local mass media.

Another significant legal foundation for releasing budget information is the “Law on Access to Information which is Under the Competence of State Authorities and Local Self-governance Bodies.” The law was originally adopted in the late 1990 and was revised and improved in 2006. This law highlights that all hearings conducted by

government representatives are required to be open to the public. The law also elaborates on various manners in which the information can be requested from the state and local government authorities.

Practicing budget hearings in Kyrgyzstan

In 2009, the Open Society Institute (OSI) conducted a study on access to public finance information across several countries. With respect to Kyrgyzstan, the study noted that the legislative system in Kyrgyzstan creates opportunities to demand information from state authorities. But, “a low level of legal consciousness among its citizens and an insufficient level of awareness of the opportunities that the legislation of the KR [Kyrgyz Republic] could have”, limits people’s ability to adequately access information (p.27).

Although it is legally required to discuss and adopt local budgets openly and publicly, there is no specific enforcement mechanism in place. In fact, of the 459 existing local self-governments and 25 cities in Kyrgyzstan, less than 10 percent organize public hearings on budgets regularly¹¹. The principle of publicity of the budget document at both the republican and local government levels is also reiterated in the Law of the Kyrgyz Republic on Basic Principles of Budget Law. In particular, Article #12 of the law stresses that the review and the adoption of the republican and local budgets is carried out by the Parliament, village, district, and city councils openly (гласно: glasno) and publicly, with the exception of issues that belong to the category of state secrets, disclosure of which may be harmful for national interests, sovereignty, and economic and state security. The lack of enforcement is only one dimension of the problems related to

¹¹ http://www.open.kg/ru/theme/interview/?theme_id=207&id=508

budget hearings. The existing literature notes lack of skills among local leaders in facilitating a budget hearing. For example, local leaders may have limited skill in engaging citizens. Local public employees use bureaucratic language when communicating with the residents, which is not helpful for the financially illiterate populace (Asankulov, 2011). The second problem related is that citizen feedback are not enforced to be incorporated in the final decision-making (Asankulov, 2011).

There are two types of budget hearings that are carried out in Kyrgyzstan. The first type of budget hearing relates to the execution of the budget of the preceding year. The following reports are generally put under discussion during the hearing: 1) the report on the execution of expenses of public institutions; 2) the report on the execution of “special” expenses; and 3) planning and actual revenues. The hearing of the budget for the upcoming year discusses the following reports: 1) expenditure plans; 1) revenue plans; and 3) plan on expenses and revenues in relation to “special” means (WB, 2006).

There are several main players in the budget hearing process In Kyrgyzstan: the executive administration, legislative council at the local level, and population. For example, the decision to discuss budget in hearings is stipulated in the laws, however, the legislative council members also enjoys the right to initiate budget hearings.

In general, conducting local budget hearings in Kyrgyzstan pursues several goals: informing the population, educating the population, receiving information from the population, and learning interesting and practical suggestions by the population (Tulundieva and Omuraliev, 2004:118).

In developing countries such as Kyrgyzstan, the process of open budget hearings is facilitated by international organizations. Some public hearings, therefore, are a one-time event and may not be conducted as financial support from the donors terminates (Kydyraliev, 2011). However, others posit that local public activity remains high even after the projects discontinue. Continuity is secured because many international initiatives geared towards capacity building of local civil organization (Kalkanov, 2011).

Other projects focus on working with local government and council members by providing grants on the conditions that public hearings are conducted (Dobrezova, 2011). Therefore, even though hearings were created with outside help, the culture of conducting hearings and making officials responsive has become a tradition in municipalities that used to be the pilot cases (Dobrezova, 2011).

According to the Law on Local Self-Government, local legislative councils are obliged to conduct open session no less than once in three months. Therefore, in a given year over 1,000 council sessions take place across the country. Most of the questions discussed during these open sessions relate to socio-economic area (13 percent in 1998) and budget issues (18 percent in 1999). The frequently discussed issues include social security, education, culture, development, just to highlight a few.

Although the existing legal regulation obliges council sessions to be open to the entire community, local governments do not comply with the requirement regularly. Local governments blame financial constraints, such as, for example, lack of facilities for large-sized meetings (Karashev et al, 2004). The problem, however, is more complicated. Skeptics of the effectiveness of budget hearings in Kyrgyzstan, especially on school budgets, view this process to be questionable due to the fact that almost 90

percent of school expenses is sealed in payments of workers salary. In reality this implies that citizens may not have a real choice of deciding how to allocate school resources in cities and villages with underfunded school budgets (Akmataliev, 2011). For example, almost all local budgets (municipalities and villages) with the exception of Bishkek City's budget are subsidized. For example, in Bishkek City, the share of self-collected revenues represent about 95 percent of its budget, whereas in remaining local governments in Kyrgyzstan, the amount of self-collected revenues represent up to nine percent of the budget (Swiss Agency for Development and Cooperation, 2011).

Another concern relates to the low level of citizen activity during the budget hearings. In this respect, some suggest that public conscience needs to be changed before promoting public hearings. A change in public consciences implies increasing public awareness of budgets and strengthening of citizens' sense of budget ownership (Nurmetova, 2011). The American public administration literature voiced similar concerns with respect to conducting budget hearings in the U.S. For example, Kim and Schachter (forthcoming) study the U.S. and Korean budget hearing practices and find that a low participation and lack of representativeness was characteristic of cities in both countries. Baker *et al* (2005) point out, that in the U.S. the quality of prehearing stage appeared to play an important role for successful outcome from public hearings. The prehearing stage should stress the role of media in increasing public awareness. Baker *et al* (2005) sum up that effective communication, organization and facilitation are crucial in the U.S. public hearings.

In general, budget hearings are becoming more meaningful as local self-governments are being given a legal right to form an independent budget and collect its own local taxes, based on the reforms implemented in 2007. Given the large number of underfunded local governments, budget hearings in Kyrgyzstan is also viewed as an instrument for bringing together government, people, and private sector¹².

In 2009 the Alliance for Budget Transparency conducted a face-to-face survey of citizens (over 300) in village districts representing all seven regions in Kyrgyzstan to determine citizens' interest and understanding of local government budgets. The results of the survey reveal several findings. Over 73 percent of the citizens expressed interest in knowing better local budgets, while 21 percent of the rural citizens claimed to be well informed about local budgets. Only 15 percent of citizens reported having seen the actual budget document. Knowledge of the budget also varied across the regions and income level ranging from 2 percent of Chui region citizens claiming to know the budget to 36 percent of Issyk-Kul region citizens reporting knowing the budget. The Alliance for Budget Transparency suggests that this knowledge discrepancy could be linked to the work of the USAID in Issyk-Kul and in other regions on budget information, which was not carried out in the Chui region. The survey further asked which type of budget documents citizens were familiar with. According to the survey results, the following percentages of citizens knew about these documents, 20 percent - budget execution

¹² During budget hearings in Karajal Ayil Okmotu (Issyk-kul region), the public succeed in persuading a entrepreneur to assist with road reconstruction (Junusov,2010)

report, 10 percent -report on budget changes, 7 percent - draft budget, 4 percent - health cost estimate, 10 percent -budget approval report, and 45 percent reported not being familiar with any budget document. With respect to the attendance rate at budget hearings, only 13 percent of the respondents reported participating in budget hearings. The survey also reveal that the attendance is more likely for landowners, the older age group, and men and less likely for the landless, youth and women. Citizens of Issyk-Kul, Jalal-Abad and Osh regions reported to have a highest participation rate. As noted previously, participation in budget hearings is determined by the level trust to budget information. Over 36 percent of surveyed agreed that budget information released by the government is reliable, while 28 percent found it to be completely unreliable.

Furthermore, the survey results demonstrate that citizens make personal efforts to request budget information, but this is common for landowners (p.15). Other information requests methods reported are personal visits to local governments (89 percent), followed by requests via phone calls (8 percent), and sending letters (3 percent) (p.16). Similarly, local governments also viewed personal meetings with residents to be the main avenue to knowing local priorities (Table 5).

Table 5: The main source of information on citizen priorities for local government heads (%)

Information sources		Throughout the whole array
1	Receiving citizens in person	97.4
2	Meetings of the citizens, quarter meetings	100.0
3	Local newspapers other media	10.3

4	Friends, colleagues and relatives	64.1
5	Places of people gathering (markets, fairs)	12.8
6	Daily staff meetings	7.7
7	Weekly staff meetings	2.6

Source: USAID (2007)

The structure of local public finances in Kyrgyzstan

Financial independence is essential for operation of the local government. Local budgets in Kyrgyzstan consist of three elements: current resources, capital resources (income received from the operations with the capital), and official transfers. The group of current resources includes tax and no-tax income which are collected systematically. The capital income is often secured when a local government puts up for sale its properties, including land, buildings, equipments and others. However, in comparison with current income, the capital income is sporadic and cannot be systematically collected. Transfers are the resources distributed by the central government. With respect to implementing a tax policy at the local level, due the geographic and other differences, tax collection varies across local governments.

The law “On the Main Principles of Budget Law in Kyrgyzstan” notes the following current sources of revenue for local governments:

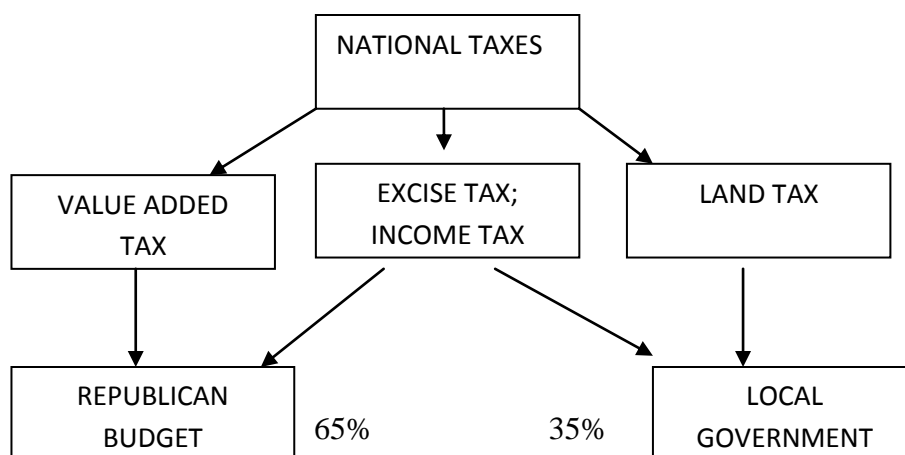
1. Transfers of taxes collected at the national level and other revenues.
2. The revenues collected from renting or selling the municipal property
3. Land tax
4. Property tax

5. Taxes on special resources
6. Fee on land rent
7. State fee
8. Charges received for provide non-free services
9. Administrative fee and other charges
10. Transfers and voluntarily contributions
11. Other non-tax collections

In general the revenue sources and taxation have been subject for many changes in the last two decades in Kyrgyzstan.

Current inter-budgetary relations consist of the following. The center approves the rates for allocations from the national taxes to the local self-governments. The administrative-territorial units have various tax bases, which makes wealthier local government unable to establish budget surpluses and “they consequently become forced recipients.” The hierarchical imbalance in the budgetary system implies that the national budget provides financial aid to all regions (Alymkulov and Kulatov, 2001: 559). The local taxes collected represent less than 9 percent of the resources in many local governments in Kyrgyzstan. The largest source of local governments’ revenues is revenues distributed from the central level. At the same time, 65 percent of excise and income taxes collected at the local level are retained at the central budget, whereas 100 percent of land taxes collected remains with the local governments (Figure 7).

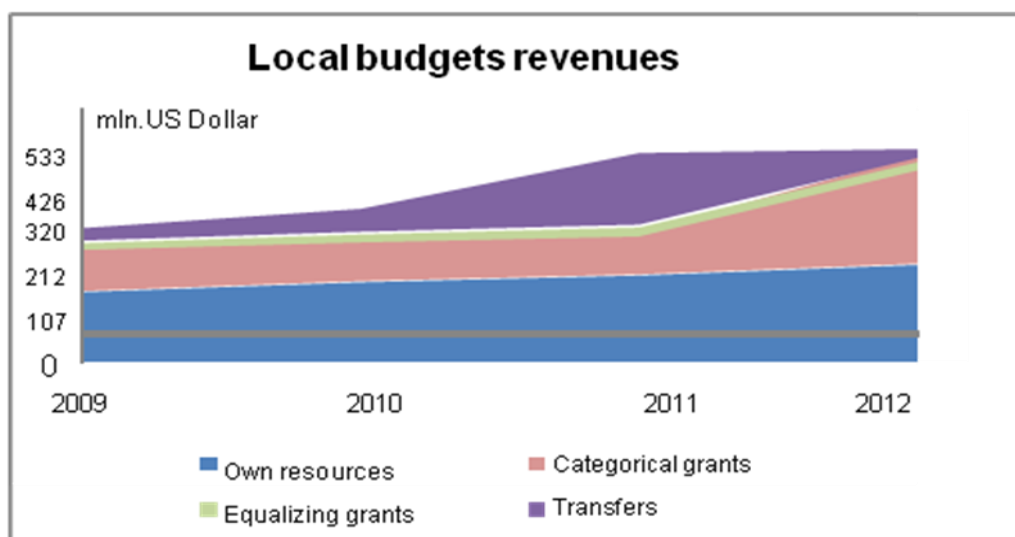
Figure 7: The distribution of the national level of taxes central and local government budgets



Source: Tulundieva and Omuraliev (2004)

Although some level of administrative independence is present at the local level, the local administration is financially constrained. In 2012, for example, categorical, equalizing grants, and other transfers represented the largest portion of the local government revenues in the majority of local governments (Figure 8).

Figure 8: Local budget revenues



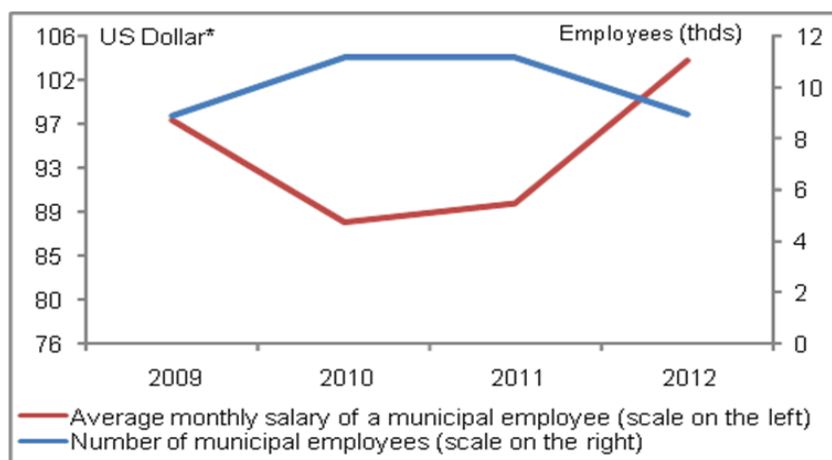
Source: Dobrezova, 2012

The lack of financial resources also reflects on the quantity and quality of public services provided. Resource-constrained local governments face the challenge of sustaining public administration. For example, many local governments have an average of 8-10 employees with the monthly salary level is close to \$106 (Figure 9).

The existing research highlights numerous problems faced by local governments in Kyrgyzstan. These include non-optimal administrative-territorial division in Kyrgyzstan, the absence of a clear division of responsibilities of local government administration, inadequate level of professional training of local government personnel, an unequal revenue-generating capacities across the local governments, weak technical capacity of local governments among other things (Kurmanbekova, 2010). The law on “Local Self-Government” in its new 2011 edition lists 22 core areas of responsibilities of local governments in Kyrgyzstan. The list is extensive and includes area of healthcare

provision, security and education. It also includes responsibilities such ensuring the access to clean water, rebuilding the roads, economic development of the region, and prevention of natural disasters, among other things. Given the average number of people working with a local government, it becomes apparent that most of the duties will not be adequately addressed by a local government.

Figure 9: The average salary level and number of employees across local governments in Kyrgyzstan.



*Converted from Kyrgyz currency to US dollars using 2012 currency exchange rate

Source: Dobrezova, 2012

One of the elements of the local reform process in Kyrgyzstan is directed towards improving citizen engagement in the decision-making process. The Law on Access to Information, adopted in 2006 entitles the citizens to request information. The law in particular highlights that public organizations are required to provide a written response

to a citizen request in two weeks. The law further notes that if the request is not fulfilled a citizen is eligible to send a complaint to the court.

Another legislative instrument is the 2005 Law on Jaamats (community organizations) and their associations. The jaamats, translated as the self-help groups (SHG) and community associations, are the major forms of public associations in Kyrgyzstan. This Law “determines the procedure, principles of establishment and activity of community organizations and their associations, set up in villages, settlements and cities. It also regulates their relations with the state government and local self-governance bodies, legal entities and individuals and is targeted at developing legal and organizational basis for social mobilization in the Kyrgyz Republic, providing state guarantees to community organizations and their associations regarding self-governance.”¹³

Summary

The reform of the local government administration in Kyrgyzstan has begun in 1991. The reform is still ongoing and in the last 20 years the “Law on Local Self-government” was revised five times. As a result of reforms, local governments were given financial rights, such as the right to collect and retain local taxes. However, local taxes represent less than 9 percent of the annual local government revenues. Therefore most of them depend heavily on transfers from the central government. Given the distributional nature of a tax policy in Kyrgyzstan, wealthy local governments are also forced to become recipient of the central government. The 2012 reform that transformed

¹³ The Law of the Kyrgyz Republic “On Jaamats (Community Organizations) and their Associations”

the budget system from the three-level towards a two-level budgeting structure, is believed to be conducive for political and financial independence to local governments. However, many of the ongoing reforms do not address problems of poor human resource capacity at the local level and rural-urban emigration.

CHAPTER FOUR

RESEARCH METHODS AND DATA COLLECTION

Introduction

This dissertation has several goals. The main purpose is to understand the challenges and opportunities in implementing a donor-driven participatory budgeting (P.B.) in Kyrgyzstan. The second is to understand sustainability of this innovation in Kyrgyzstan. The final goal is to understand the effects of budget hearings on politics at the local level in Kyrgyzstan and on the local government budget¹⁴.

Research Questions

Given previous research and the goals of this inquiry, this dissertation has several research questions. The questions are posed in the following format:

Q1: What are the critical institutional barriers that hinder authentic citizen engagement in budgeting at the local level in Kyrgyzstan?

Q2: What is the level of sustainability of participatory budgeting at the municipal level when it is being promoted by donors?

Q3: How does participatory budgeting impact local politics?

Q4. How does citizen participation affect the design and implementation of local government budgets?

The first two questions relate to how the particularities of Kyrgyzstan's political and socioeconomic environment and donor involvement affect the institutionalization and sustainability of participatory budgeting in Kyrgyzstan. The last two questions relate to

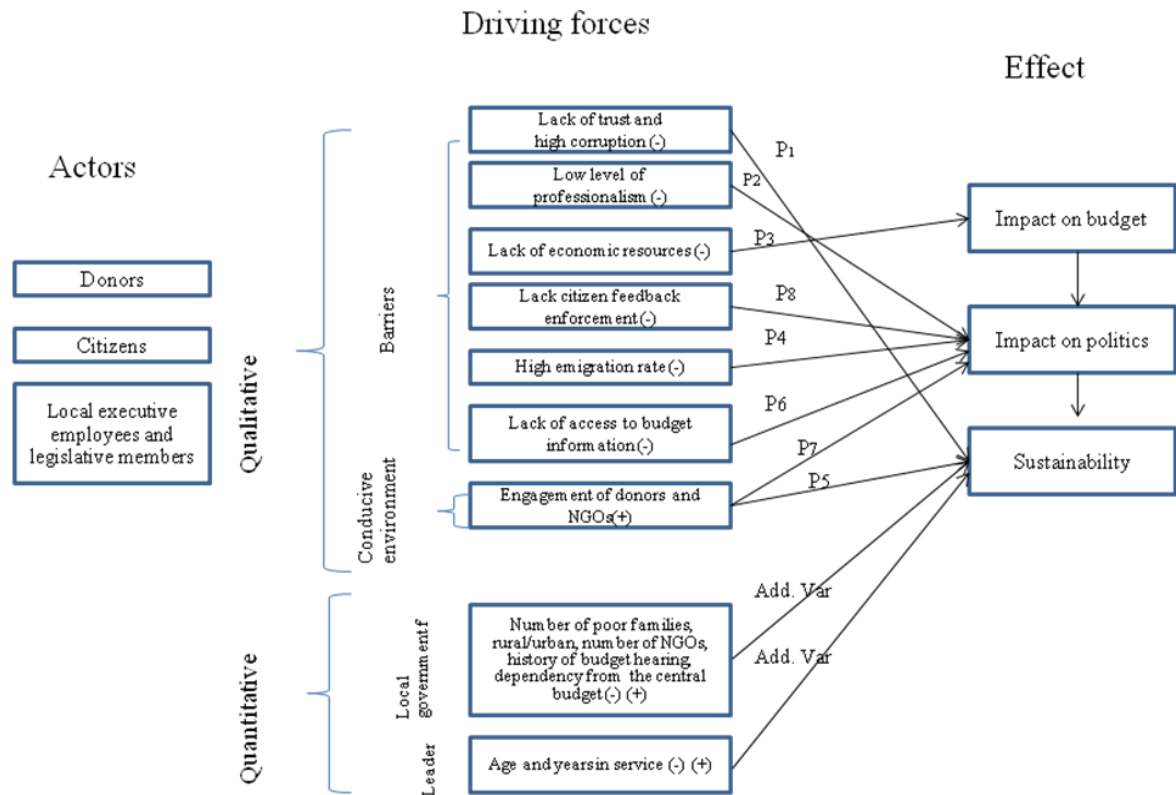
¹⁴Local government in Kyrgyzstan implies the city level of administration and ayil okmet level of administration (rural). The term ayil okmet is defined as a unit of several villages with a diverse size in regards to territory and population. The term local government has the same meaning as local self-government. In this dissertation I use the terms municipality, local government, local self-government, and ayil okmet interchangeably.

the outcome of engaging citizens on government opaqueness and budget implementation. Using Hasenfeld and Brock's implementation model, this research focuses on instruments, critical actors, driving forces, and system delivery elements as the core blocks in the implementation of participatory budgeting in Kyrgyzstan. The dissertation utilizes qualitative and quantitative approaches to examine these questions and look at actors such as citizens, government, and donors. With respect to system delivery, it examines environmental, political, and economic conditions at the local government level (Please see figure 10 for theoretical framework).

Mixed Methods Research Design

The research design for this dissertation is qualitative dominant sequential mixed methods. Quantitative findings were used to confirm the qualitative research. First, qualitative research included site visits, nonparticipant observation of budget hearings, examination of the existing literature and archival materials, and twenty-six in-depth interviews. After analysis of the qualitative interviews and information collected through site visits, a minisurvey was designed with closed-ended and open-ended questions. The survey questions were formulated around issues related to the sustainability of budget hearing practices and the effect of budget hearings on local government work and budgets. In total, forty local governments were surveyed; however only thirty-three provided full and complete responses to the survey questions.

Figure 10: Theoretical Framework



Qualitative Methods

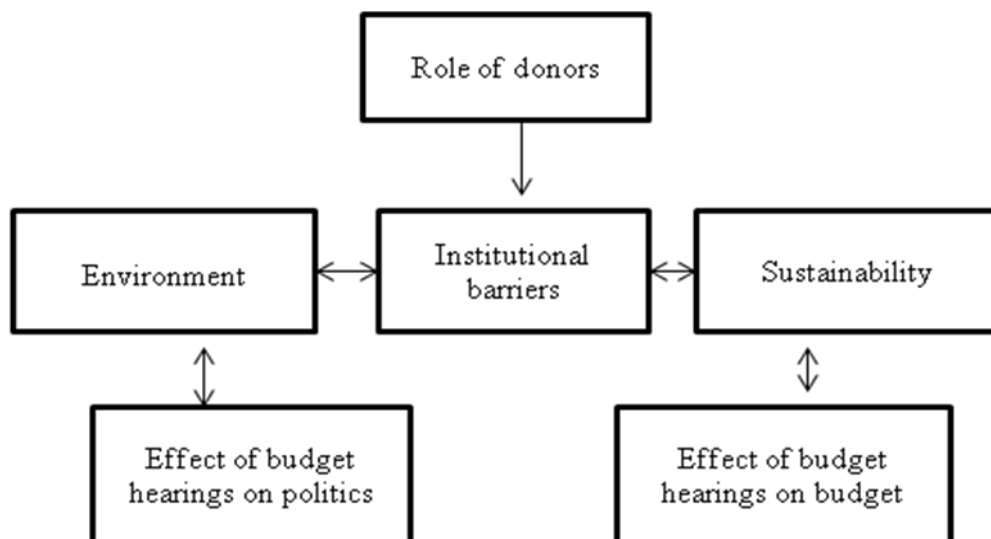
Creswell (1998) proposes five traditions in qualitative research: bibliography, phenomenology, grounded theory, ethnography, and case study. I use a case study approach in this dissertation. In the qualitative part of this dissertation, I present case studies of three local governments and their experience with budget hearings.

Examining existing theories and literature, and through deductive reasoning, I developed several propositions, which are presented in the literature review and discussed in the next chapter. As Forkestad (2008) notes "... no research is truly inductive in the sense that we have absolutely no idea what to expect before starting our scientific

endeavor. At the very beginning when we select or research phenomenon we have made some assumption and expectation of what we could possibly expect to find (p.15).”

My interview questions were structured according to the core research questions and propositions. Figure 11 demonstrates main themes that are being studied based on my questions and propositions.

Figure 11: The structure of the research approach



Sampling and Unit of Analysis

Discussing sampling approach in qualitative and quantitative research, Marshall (1996) stresses that the aim of qualitative sampling is to explore complex human issues, while transferability measures the utility of the results. Marshall (1996) presents convenience, judgment, and theoretical samplings as the most frequently used

mechanisms in qualitative research. Given the nature of this dissertation, judgment sampling stands out as the most suitable tool. Known also as a purposeful sample, a judgment sampling requires the selection of the most productive sample to answer the question and it requires a more intellectual strategy (Marshall, 1996). Marshall (1996) notes that judgment sampling strategy may be applied to study of a broad range of subjects that may include outliers and subjects with special expertise (Marshall, 1996). In relation to the judgment sampling approach, Maxwell (2005) emphasizes that “selecting those times, settings, and individuals that can provide you with the information that you need in order to answer your research questions is the most important consideration in qualitative selection decisions (p.88).” This dissertation utilizes judgment sampling, as a diverse group of informants were recruited for the study.

P.B. in Kyrgyzstan began in 1998 at the local level. Local services in Kyrgyzstan are delivered by the country’s 459 rural local governments, as well as by twenty-five city-level municipalities¹⁵, also considered local governments. Among these local self-governments in Kyrgyzstan, only up to thirty conduct public hearings consistently (Dobretzova, 2010). In the qualitative part of this research, I interviewed eight rural local governments and two urban local governments in Kyrgyzstan to examine the particular implementation of budget hearings. The interviews with the two local governments were conducted by phone. The selection of these ten local governments was based on their previous experience and exposure to the budget hearings. It should also be noted that different budgetary circumstances and different local political dynamics were observed in all ten local governments interviewed. For example, in contrast to many other local

¹⁵ <http://www.developmentandtransition.net/Article.35+M537ebf78098.0.html>

governments, Bishkek is the wealthiest local government and has a mayor with stronger political power. In addition to these ten local governments, I analyzed protocols and archival materials of the local governments of Tup, Uchkun, Teplokluchenka, and Osh, which conducted budget hearings in 2011. (Please see table 6-8 for local government details).

Further, I interviewed fifteen representatives of NGOs and citizens from May to July 2012. The selection of individuals and NGOs was based in a snowballing sampling approach.

Table 6: Population and other characteristics of local governments interviewed

Local Government	Budget revenues in soms	Number of poor families	Active firms	NGOs	Population
Aidaralievsky	151,000	263	3	1	4,795
Barskoon	334,500	705	5	6	6,405
Bishkek	-	-	-	-	876,043
Jalal Abad	781,500	554	15	0	7,116
Ivanovka	3,453,300	467	42	3	15,335
Kyzil Kyshtak	1,866,000	668	93	35	23,758
Lenin	1,140,00	682	8	3	7,060
Logvinenko	2,778,200	98	15	2	5,273
Maevka	800,000	259	25	1	7,096
Nurmambet	2,240,900	2	6	7	5,032

Source: National Statistical Committee and other sources

Table 7: Additional local governments examined

Local Government	Budget revenues in soms	Number of poor families	Active Firms	NGOs	Population
Masy	2,579,100	1,100	23	31	20,307
Osh	-	-	-	-	-
Shaidan	1,417,000	1,156	32	22	10,754
Tup	1,257,800	609	18	24	10,987
Teplokluchenko	2,264,700	2,200	25	34	13,198
Uchkun	2,866,450	852	19	3	5,156

Source: National Statistical Committee and other sources

Table 8: Geographical characteristics of local governments interviewed

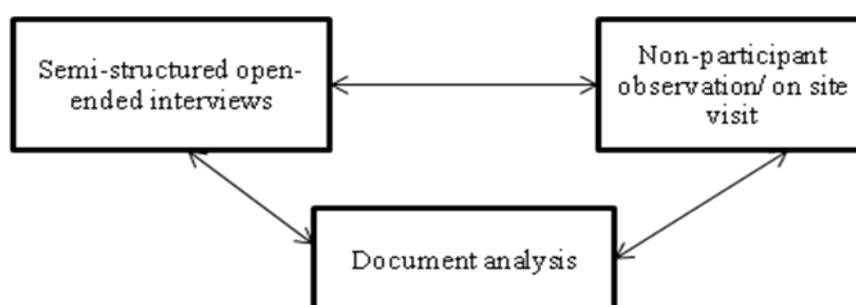
	LOCAL GOVERNMENTS	PROVINCE	TERRITORY
1	Aidaraliev	Talas	Northern Region
2	Barskoon	Issyk Kul	Northeastern Region
3	Bishkek	Chui	Northern Region
4	Ivanovka	Chui	Northern Region
5	Jalal Abad	Jalal Abad	Southern Region
6	Kyzyk Kyshtak	Osh	Southern Region
7	Lenin	Jalal Abad	Southern Region
8	Logvinenko	Chui	Northern Region
9	Maevka	Chui	Northern Region
10	Masy	Jalal Abad	Southern Region
11	Nurmambet	Chui	Northern Region
12	Osh	Osh	Southern Region
13	Shaidan	Jalal Abad	Southern Region
14	Teplokluchenka	Issyk Kul	Northeastern Region
15	Tup	Issyk Kul	Northeastern Region
16	Uchkun	Naryn	Northeastern Region

Data collection

The main instruments for gathering qualitative data included interviews, participant observations, analysis of the existing data (archival documents, statistical data, etc.) and field notes. I transcribed, coded, and organized information into several major themes, which were analyzed further. Following Creswell (2009), I used a

triangulation strategy to confirm and cross-validate the data (Figure 12). Data triangulation in this context implies collecting information from multiple sources (Yin, 2009)¹⁶.

Figure 12: Triangulation by sources of information for the qualitative part



Secondary Data

I used descriptive and inferential statistics to analyze the secondary data and any secondary data on local governments was obtained from the National Statistical Committee of Kyrgyzstan and the Ministry of Finance. The data on citizens' political activity was obtained from preexisting surveys results. Financial documents, annual reports, minutes of meetings, and other relevant archival documents were collected from the local governments and Finance Ministry, and analyzed. The interview results were cross-verified with the archival documents collected. During the interviews with local

¹⁶ In addition to data triangulation (Yin, 2009) notes the use of investigator triangulation (among different evaluators), theory triangulation (triangulation of perspective to the same data set), and methodological triangulation (triangulation of methods) (Yi, 2009:116)

governments, I requested documents, videos, photos, protocols, and reports on budget hearings conducted in previous years in these local governments.

My qualitative strategy is a case study of several local municipalities in Kyrgyzstan—a strategy that is the most appropriate for the research. To enable some degree of transferability, the findings of the case study are cross-verified with the secondary data on all the municipalities in the country. My selection is representative as it reflects the perceptions of local public administrators, citizens, and donors. The information obtained from the face-to-face interviews was analyzed by three researchers working independently (the principal investigator—myself—and two associate researchers) using NVivo software. The use of two independent researchers in addition to the principal investigator was carried out in order to strengthen the reliability of the findings. From this analysis several themes developed, which were then categorized and cross-validated with the information obtained from the archival documents. These findings will be discussed in the next chapter.

Nonparticipant Observation

The analysis of archival documents (budget information and meeting protocols), interviews, and surveys served as the main instruments for gathering data. But in the case of citizen participation studies, participant observation also enabled the generation of information that otherwise would not have been captured. According to Patton (1990), participant observation offers a deeper understanding because it provides knowledge of the event's context. Second, Patton (2002) argues that “firsthand experience with a setting and the people in the setting allows an inquirer to be open, discovery-oriented, and

inductive because by being on-site, the observer has less need to rely on prior conceptualizations of the setting, whether those prior conceptualizations are from written documents or verbal reports (p.262).” Merriam (1998) notes several reasons for gathering the data through observation, including the ability “to triangulate emerging findings; that is, they are used in conjunction with interviewing and document analysis to substantiate the findings (p.96).”

My observations shed light on how the budget hearings were conducted, who participated in the hearings, the activity level of the population, and what suggestions were presented during the hearings. I pay attention to how the moderators engaged citizens and what parts of the budgets were discussed the most. I also examine the characteristics of the physical facilities for the budget hearings and how local governments distribute information on budget hearings.

Community Organizations

I note several points about community organizations in Kyrgyzstan. The law on community organizations (jamaats), which also includes NGOs, was adopted in 2005 and provides a legal foundation for creating a community organization. The law most especially specifies the rules for the inception and permissible activities of local community organizations/NGOs. Although close to 20,000 NGOs operate in Kyrgyzstan (Table 9), I focus on NGOs which are active in local governments.

Table 9: Number of NGOs in Kyrgyzstan

	2007	2008	2009	2010	2011
NGOs	14,617	16,189	16,862	18,341	19,427
<i>including parties</i>	90	108	110	109	156
Mass media	893	997	1,034	1,078	1,185

Source: National Statistical Committee of the Kyrgyz Republic, 2011 (c)

Interviewing

The mainstream Public Administration uses surveys and interviews to gather data on issues related to citizen participation. According to Rubin and Rubin (1995), there are four types of interviews used in academic research: topical oral histories, life histories, evaluation interviews, and focus group interviews. These four types of interviews refer to specific approaches used to record the data. As Rubin and Rubin (1995) further note, all these interviews could be grouped into two categories: cultural interviews (focus on norms, values, and understandings) and topical interviews (narrow focus on a particular event or process concerned with what happened, when, and why). In the topical interviews, the researcher looks for “detailed and factual information”, and therefore the interviewer “plays a more active role in directing the questioning and in keeping the conversation on a specific topic (Rubin and Rubin, 1995:29).” The research questions examined in this dissertation employed topical interviewing approaches in soliciting information from interviewees.

With respect to the issue of which individuals to interview, Rubin and Rubin (1995) recommend engaging “interviewees with different vintage points”--this is

especially critical when there are issues and questions around the problem (p. 67). Unfortunately, many existing participatory research in P.A. focuses heavily on interviewing or surveying public administrators—for example, Yang and Holzer (2006), Yang and Pandey (2011). At the same time, the number of studies that present the perspective of citizens on citizen participation issues is limited. One recently published dissertation (Gaynor, 2011) is among a few studies that examine citizens' perspectives on the participation process. My research project attempts to address this existing gap in participation research by incorporating citizens' perspectives on participatory practices. During my fieldwork, I conducted face-to-face semi-structured interviews with the key informants to obtain information on informants' perceptions of the nature and implementation of budget hearings in municipalities. The key informants represent three population groups: 1) experts¹⁷ who are engaged in promoting budget hearings and who are primarily funded by agencies such as the USAID, UNDP, the Soros Foundation, the World Bank, and other individual European countries; 2) administrators and legislators at the local government level¹⁸; and 3) community leaders who participate in budget hearings. In addition to interviewing local governments, face-to-face interviews were conducted with the head of interbudgetary relations at the Finance Ministry and a journalist at the *Vecherny Bishkek* newspaper. I collected interviews from twenty-five informants (including citizens, government administrators, experts, and donors). Please see Table 10 for the list of informants.

¹⁷ I use the terms experts and NGOs interchangeably, as experts are the members of NGOs funded by the international organizations. The term experts also implies the representatives of donor agencies.

¹⁸ I use the terms local government administrators, public administrators, and local government employees, interchangeably throughout this dissertation

Table 10: List of interviewees

Code	Interviewer	Organization
1	Michael*	Bishkek City Legislative Council
2	David*	Finance ministry
3	Katia*	Logvinenko ayil Kenesh (Legislative Body)
4	Ulia*	NGO Alliance for Budget Transparency
5	Tom*	NGO Development Policy Institute
6	Ruth *	NGO Development Policy Institute
7	Jerry*	Maevka Ayil Kenesh (Legislative Body)
8	Alex*	USAID
9	Steve*	NGO Eurasia foundation
10	Alina*	Logvinenko ayil Okmetu
11	Mira*	NGO, Osh city
12	Igor*	NGO, Osh city
13	Valyia*	NGO, Souz Dobrih Sil
14	Islan*	Barskoon Ayil Okmetu
15	Bakyt*	Independent Expert, former employee of Finance Ministry
16	Catherina*	Jalal Abad City Ayil Kenesh (Legislative Body)
17	Peter*	Kysyl Kyshtak Ayil Okmetu, Osh Province (Executive Body)
18	Gulai Eje*	Nurmamber Ayil Okmetu, Chui Province (Executive Body)
19	Lauren*	NGO Ayil Demilge
20	Victor*	NGO "Result"
21	Asya*	NGO at Jalal Abad Province
22	Chris*	Aidaraliev (Executive Body)
23	Medina*	Ivanovka, Chui Province (Executive Body)
24	Tolik*	Former Member of Parliament
25	Elena*	World Bank
26	Anton*	Lenin Ayil Okmetu

*not an actual name

The first part of my interview questions relate to the information on P.B. as it is currently being conducted in Kyrgyzstan. The second part of the interview captures the information on the perceptions and the experience with the P.B. from the perspective of the key informants. The purpose of the in-depth interviews is to: a) understand the current procedure of conducting budget hearings in Kyrgyzstan, b) solicit information on the magnitude of donor involvement in implementing this participatory technique, c) gain an understanding of the challenges and opportunities that emerge while implementing P.B. at the local government level, 4) understand if citizen inputs are reflected in the design and execution of the local government budgets, and 5) capture information on the effects of the P.B. from the perspective of citizens and other actors regarding what they feel needs to be done to improve the participatory budgeting process.

The interview collection took place from May 10th to July 10th, 2012. Most of the interviews took place at the working facility of the interviewee. Only one interview was conducted at the apartment of the interviewee due to the interviewee's inability to travel. Except for two, all the interviews were audiotaped. The interviews were collected primarily in the northern part of Kyrgyzstan; most of the NGOs interviewed were based in the capital city, although they have operational divisions across the country. As noted earlier, the sample of the interviewees is representative of NGO members, community members, local executive employees, and the local legislative body. Both genders and the range of nationalities are represented as well. Most of the interviews were conducted in Russian, some in Kyrgyz, and only one in English. I used a standardized open-ended interview approach in collecting the data. As a result, the participants were asked similar

questions, but differences resulted across three categories of interviewees. According to Turner (2010), standardized open-ended interviews are likely to be the most popular form of interviewing participants, as it enables interviewees to fully express their viewpoints and experiences (Turner, 2010:3).

The average length of the interview ran approximately an hour or less. I collected twenty-six interviews representing five regions in Kyrgyzstan. Among these, ten in-depth interviews were collected from local government representatives, which included two city and eight rural local governments. Fifteen interviews were collected from citizens and experts working with NGOs. It should be noted that the interviews with the local governments were particularly hard to obtain. This was due to the overwhelming number of responsibilities charged to local government employees. It was also difficult to reach out to the representatives of the legislative body of the local self-governments, as they are unpaid, do not have a permanent office, and meet irregularly (three to four times per year).

After completing each interview, I conducted fact-checking which consisted of emailing or telephoning the interviewees to check for accuracy or to clarify information. Fact-checking took place within three days after the interviews were transcribed.

Most budget hearings for the forthcoming year are conducted annually in the months of May and June. I sat in on budget hearings to conduct nonparticipant observations from the beginning of May to the end of June 2012.

Quantitative Methods

For the quantitative part, forty five local governments in all seven regions in Kyrgyzstan were surveyed to gather information on the sustainability of the practice of budget hearings. The quantitative part was designed based on the information collected using qualitative approach. Specifically, after my interviews were analyzed, I developed survey instrument, which consisted of seventeen open-ended and close-ended questions inquiring about the demographic characteristics of the heads of local governments and the history of budget hearings in the local government concerned. The surveys were conducted over the phone by a third party- the office of local government issues in the president's office of Kyrgyzstan

Survey

The main goal for conducting the survey was to gather information on factors determining the probability that a given local government would advise on a budget hearing. The interview results and nonparticipant observation were used to construct the survey instruments. Among forty-five surveys collected over the phone across seven regions in Kyrgyzstan, only thirty-three were fully completed. These thirty-three surveys represent urban and rural local governments across five regions in Kyrgyzstan. The local governments that participated in the survey were diverse with respect to size and economic development. The survey consisted of both open-ended and close-ended questions and was completed in September 2012.

The survey questions inquired about the experience of holding budget hearings and the individual characteristics of the heads of local governments, such as age and years of employment. The surveyed local governments were randomly selected with the goal of ensuring that local governments of diverse districts were included. Out of the existing forty districts, local governments in twenty-seven districts participated in the survey, and included the provinces of Chui, Jalal Abad, Naryn, Issyk-Kul, and Osh. Local governments in the remaining two provinces of Talas and Batken did not respond to the survey.

Descriptive Statistics

Survey information complemented other data obtained from the national statistical committee. This included information on the number of active firms, NGOs, and urban-rural classification. Respondents' demographics display homogeneity. All of the respondents were males and, except for three, all reported to be Kyrgyz. The mean age for respondents was 45.6 (Table 12), however the range of age varied from 24 to 64. According to the survey results, the mean number of years in the current position for the heads of local government is reported to be slightly over three and half years (Table 12). However, some administrators surveyed reported being employed in the current position for as long as eleven years.

With respect to the individual features of the local governments surveyed the following needs to be highlighted. Sizes of the local government population varied, ranging from slightly more than 45,000 to more than 200,000 (Table 11). The southern regions appear to be ethnically diverse, with non-Kyrgyz ethnic composition reaching over fifty percent. The concentration of existing NGOs is also the highest in the southern local governments of Kyrgyzstan. With respect to development characteristics, the largest portion (n-18) of the surveyed local governments belonged in the rural category. Similarly, more local governments (n-19) reported receiving financial subsidies from the central government (Table 19). As expected, the urban local government reported the highest number of private active enterprises (Table 19). This variable is important to consider as an indicator of local government wealth.

Table 11: Individual features of 33 local governments and local leaders surveyed

Variable	Obs	Mean	Std. Dev.	Min	Max
<i>Local government</i>					
Percent of minorities	33	21.8	19.12	0.1	53.9
Population	33	24,937	45,879	1729	255,800
Number of NGOs	33	10.8	12.31	1	54
Number of private active enterprises	33	32.03	38.54	3	190
Number of poor families	33	775.54	663.61	31	3340
When was first budget hearing	33	5.87	4.83	0.5	16
<i>Local leaders</i>					
Age of administrator	33	45.6	8.73	24	64
Years since appointment	33	3.51	2.81	0.5	11

Limitations, Ethical Considerations, and the Researcher's Role

The results of this research have limited levels of generalization due to small sample size. Given cost and time limitations, this research faces the issue of selection bias as only local governments in the northern and southern part of Kyrgyzstan and a few in the eastern parts were selected for interviews. However, this issue is addressed since the survey covered a large number of local governments and the fact that a limited number of local governments practice budget hearings consistently in Kyrgyzstan.

With respect to the qualitative data collected, it should be noted that any qualitative research may contain other potential biases. For example, Maxwell (2005) discusses two types of biases: researcher bias and reflexivity or informant bias. I address both types of biases in this research. First, I use several sources of information, including interviews, government hearing protocols, and observations to address possible researcher bias. Second, potential informant bias is addressed in the research by collecting interviews from three groups, including government employees, independent citizens, and NGOs implementing policies of international organizations.

An informal consent form addressed ethical concerns. Prior to the individual interviews, I provided an informal consent form with a note informing participants that they could choose to have their identities disclosed by signing on the appropriate sections. I informed all the participants about confidentiality and the voluntary nature of the interviews. Except for one interviewee from the donor agency, all the rest expressed willingness to disclose their identity. I created pseudonyms to conceal the identity of all respondents.

Being born and raised in the Soviet Union and in Kyrgyzstan, I am well aware of the challenges that an average citizen in Kyrgyzstan faces while trying to participate in the government decision-making process. Having worked in the government sector in Kyrgyzstan, I am also well aware of certain challenges, particularly those related to financial aspects of implementing certain policies. My previous experiences allowed me to understand some nuances of work in the public sector as I was collecting interviews from the local government. I am fluent in two local languages and familiar with the communities and cultural norms practiced in Kyrgyzstan. As a result I was well equipped with the cultural sensitivities necessary for building rapport with the informants and for carrying out the research.

Summary

This chapter outlined methods and approaches used for this dissertation. I described the process of gathering the semistructured interviews, participant observations, and surveys, and elaborated on the analysis of the media and other archival materials. I also outlined the importance of each instrument's use at a particular phase during the research. This chapter also presented ethical considerations and protection of interviewee confidentiality.

CHAPTER FIVE

DATA ANALYSIS AND FINDINGS

Introduction

In this chapter I answer the research questions by using qualitative dominant sequential mixed methods research. I present my analysis in several stages. First, I present observations from the budget hearings in rural and urban settings. Next, I present the findings to answer four core research questions posed employing the interview results, observations, and personal reflections. I present analysis of survey results using quantitative approaches in the second part of the chapter. The propositions are answered in the third part of this chapter. NVivo and STATA programs are used to analyze interviews and surveys.

Analyzing Interviews

The key questions in this dissertation inquire about the challenges in promoting participatory budgeting, the sustainability of this process, and its effect on the political and fiscal situation at the local government level in Kyrgyzstan. I examine these questions using the interview responses and the existing descriptive and inferential statistics. The questions related to the challenges, sustainability, and political situation in a given municipality are answered using the interview and survey responses, materials developed from the on-site visits, as well as local government protocols and video materials. As the interviews were analyzed, I categorized the responses according to my central research questions.

In general and as expected, some differences were observed in the responses across three categories of my interviewees. Differences were also observed in the manner budget hearings were conducted across rural and urban local governments.

Nonparticipant Observation

During fieldwork, I attended several budget hearings in order to observe the environment, participation rate, level of citizen activity, facilities for conducting budget hearings, and the manner in which hearings were moderated, among other things. I participated in nonparticipant observations for hearings in the cities of Bishkek (Chui Region), Masy (Jalal-Abad Region), and Shaidan (Jalal-Abad Region). Bishkek is considered the most populous, urban, and wealthy local government in Kyrgyzstan. In comparison, local governments in Masy and Shaidan are smaller in size, rural, and have budgets subsidized by the central governments.

In addition to observation of these budget hearings, I examined the protocols of the budget hearings conducted in other local governments in previous years. These included the local governments of Tup and Teplokluchenka (Issyk Kul region), Uchkun (Naryn region), Osh (Osh Region), and Nurmanbet (Chui regions). The protocol information provides an additional comparative perspective on the quality of the budget hearings conducted in various years and across the regions in Kyrgyzstan.

Several stages in the budget hearings process are evident: prehearing, hearing, and posthearing. The prehearing stage plays a significant role as it determines the quality of budget hearings. There is no legal provision that clarifies how many days in advance a government is expected to inform the population of the forthcoming budget hearings. In

general, many local governments use radio or television to communicate information on the forthcoming budget hearings (Gaibulina and Dobrezova, 2011). Posters and other banners are hung in visible areas and on buildings. During the prehearings stage, the members of the legislative council discuss issues to be considered in the budget hearings with the residents. Advanced copies of the budget information may be provided.

Most of the budget hearings in rural areas are conducted in the morning, which differs from cities, where budget hearings take place in the afternoon. The average length of a budget hearing is 2 to 2.5 hours. In the following section I will present descriptions from my observations of the budget hearings in an urban setting in the north (Bishkek) and in a rural setting in the south (Shaidan and Masy). There is a difference between the northern and southern regions in Kyrgyzstan with respect to political competition, resources, and other cultural issues. In general, the northern region is more developed economically, wealthier, and inhabited by a larger number of educated residents.

Figure 13: Notice in the local newspaper “Vecherny Bishkek” on June 5, 2012.



Case I: Budget Hearing in Bishkek (*northern urban local government*)

The 2012 budget hearing in Bishkek took place on June 6, 2012 at the Bishkek Humanitarian University, and was organized by the Legislative Council of the City of Bishkek and the mayor's office. A notice about the upcoming budget hearing was posted in the *Vecherniy Bishkek* newspaper two days prior to the budget hearing (Figure 13).

A short version of the budget and the attendance sheet to be signed by public employees were distributed at the hall entrance (Figure 14).

Figure 14: Attendance at the budget hearing in Bishkek



Most participants appeared to be public employees. The first row of the hall was reserved for the media and for higher-level officials. Some seats were reserved for the representatives of other districts working in the health and education departments. Most of the participants appeared to know each other and were primarily representing the executive branch of the city administration. Over 300 citizens participated in the 2012 budget hearings in Bishkek.

The chair of the legislative council discussed the rules of participation at the beginning of the hearing. It was noted that each presentation would last ten minutes,

questions could be asked for two minutes, and answers could be given for one minute. Except for the mayor, members of the executive administration and local legislative council participated in the hearing.

The heads of government departments presented budget information, although no visual material was provided. In total, less than ten people took the floor in the Q&A session. Questions were raised concerning child issues, the school system, parking, and other infrastructure related concerns. Although less than ten people raised issues openly, significantly more of those present submitted questions in the written format. According to the press release of the Bishkek city's Legislative Council, posted on the Council's website two days following the budget hearings, forty-nine participants submitted comments and questions in the written formats. It should be noted, however, that allowing a written form of communication between citizens and local governments does not guarantee that these concerns are addressed¹⁹, as these written comments are not registered in any official documents or protocols.

Case II: Budget Hearings in Shaidan and Masy (*southern rural local governments*)

Budget hearings in Shaidan and Masy of the Jalal-Abad regions were conducted with the assistance of the NGOs and sponsored by USAID and other organizations. Over 100 citizens attended the budget hearings in Shaidan, while the number of participants in Masy was slightly lower. In the case of Masy, all the reports were presented in PowerPoint. Following the presentation, residents raised several neutral questions. The

¹⁹ I personally submitted a question in the written form during the budget hearings in Bishkek, which was not responded.

participants also appeared not to be critical of local government activity. The residents applauded as the local government head responded to questions. The moderator attempted to encourage active participation during the hearing, but only a few questions were raised related to waste collection and access to water. The head of the “Abad” NGO moderated budget hearings in Masy.

The budget hearing in Shaidan had a slightly different tone. First, more participants attended the hearing. The head of the local government opened the session. As in Masy, the representative of the “Abad” NGO moderated the hearing. The moderator explained the reason for conducting the budget hearing and discussed other organizational matters. During the hearing, the head of the local government discussed lack of financial resources in the village and pleaded for financial contributions from the residents²⁰. In response, one of hearing participants expressed concern that the local government used the lack of financial resources as an excuse for subpar performance. He noted that the authorities should attempt to address problems regardless of inadequate resources.

In general, in comparison to the hearing in Masy, the villagers in Shaidan were active and raised different, complex, and challenging questions and statements (figure 15).

²⁰ Apparently, the village residents were required to collect 20 percent of the funding to support road infrastructure, which they failed to pay.

Figure 15: Budget hearings in Shaidan (2012)



Observations of the budget hearings in these local governments demonstrate the differences in the manner hearings are conducted across rural and urban local governments in Kyrgyzstan. Additionally, the level of participation during the budget discussion varies across rural and urban local governments. In the case of these three local governments studied, resident participation appeared to be higher in rural areas. The use of presentation, prior information shared with the population, and the moderator's style in facilitating the process appeared to be effective in rural local governments. Furthermore, it seems that the budget discussion process had a lesser level of formality in rural local governments. The analysis of the 2012 budget hearings reveal that authorities appear to be less accommodating in answering the questions raised during the hearings in large urban local governments. In contrast, the responses to the questions raised in rural local governments appear to be more satisfactory and complete.

ANSWERING THE RESEARCH QUESTIONS USING INTERVIEW RESPONSES

QUESTION I: INSTITUTIONAL BARRIERS

Institutional barriers in participatory budgeting may vary in low-income and developed countries. However, there are some commonalities. The literature notes that barriers may be psychological (Berman, 1997) and institutional (Pateman, 1970 and Schachter, 1997). Finances and other resources also impact participation. This notion is voiced by Brady et al. (1995), who highlights that among all the reasons that explain why people do not participate in politics, the most significant is the issue of resources. The notion of resources in this context encompasses factors such as time, money, and civic skills.

My interviewees in Kyrgyzstan underscored several institutional barriers that impact a successful budget hearing. These include: 1) lack of trust in the government, 2) legal nihilism, 3) lack of knowledge regarding public finance, 4) ignorance about the existing laws, 5) lack of local government qualifications and limited resources for local government budgets, and 6) low levels of participation by the population (figure 16 and 17). It needs to be noted that these barriers were expressed by all three groups of respondents (NGOs, local government employees, and citizen leaders). However, the problem of nonparticipation was emphasized more frequently by local public administrators.

Figure 16: Frequently noted barriers by interviewees

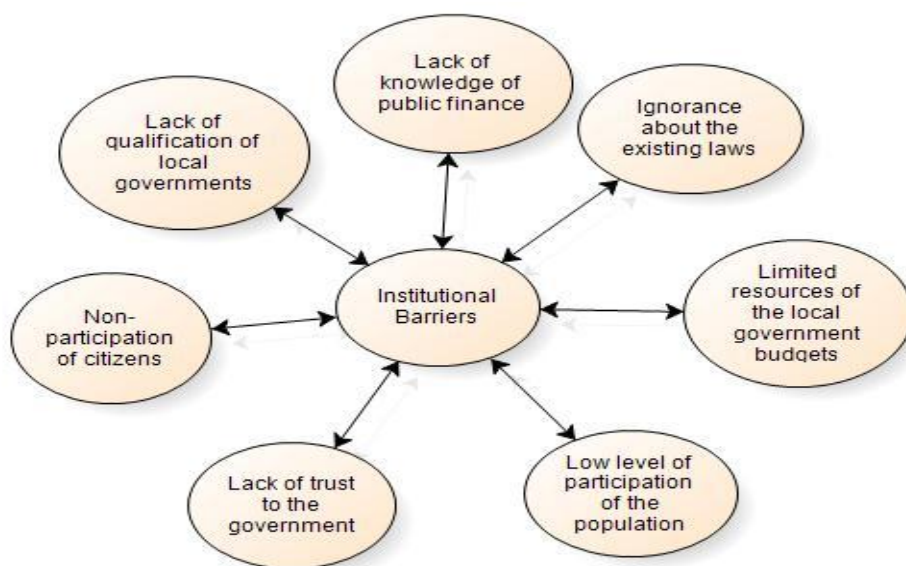
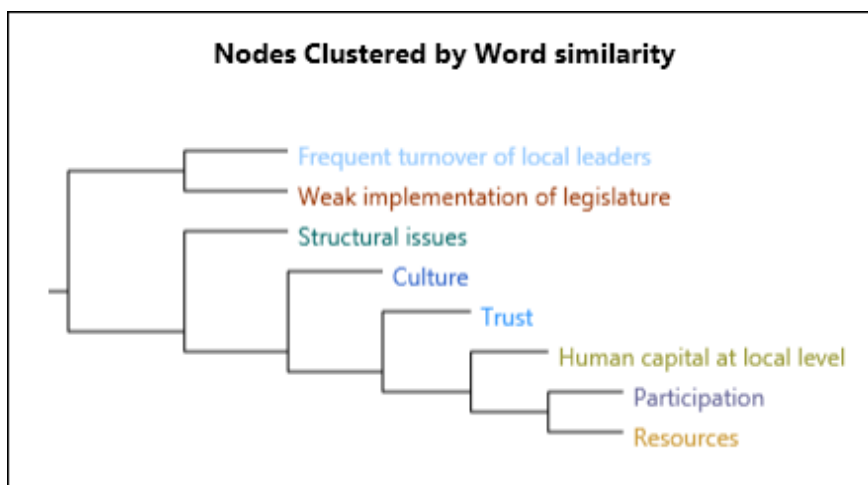


Figure 17: Cluster analysis of barriers noted by interviewees



The absence of the political foundations for participation was underscored in the interviews with the experts. For example, it was noted that a high-quality budget hearing

cannot be conducted when the heads of local governments continue to be appointed rather than elected. Interviewee #5 summed it up as follows:

“..we have changed the system of selection of the heads of local governments [appointments versus election]. This has had a negative effect. The heads of local governments do not consider themselves the elected representatives of the people; therefore they approach the issue of accountability not necessarily as if they were the representatives of the people...”

Table 12: Most frequently noted barriers across the three categories of interviewees

	Citizens	Experts (Donors/NGOs)	Government
1	Local governments lack specialists	Local government has too many responsibilities	No obvious barriers
2	Population needs to be educated regarding the fiscal issues	Budget hearings are beneficial for some and not beneficial for others	Lack of citizen participation
3	Lack of financial resources	Weak level of resource potential at the local level	No barriers, mentality is a barrier, people live like in the old Soviet times, no interest
4	At this present time, the government is more accommodating [after two forceful regime changes]	Absence of the election of the heads of local governments	Passive population
5	Hearings need to be conducted on a neutral facility	Lack of strong leaders at the local level	Problem of getting people to attend the hearings
6	The authorities need to be educated regarding the budgeting process	The budget document needs to be simplified	Wrong timing [budget hearings are conducted during the season of irrigation]
7		Passive population	Low level of trust towards the government
8		Wrong timing [budget hearings are conducted during the season of irrigation]	

9	Low level of trust towards the government
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Trust

Almost all interviewees mentioned the problem of lack of trust in the authorities as the main hindrance for successful budget hearings (Table 12). In my interviews with the local council member in Maevka and NGO members, nonparticipation in the budget hearings was seen to be the result of lack of trust.

In the context of trust, many of my conversational partners viewed budget hearings as a tool to restore trust. It should be noted that the problem of trust received equal importance by all three groups of interviewees: citizens, public administrators, and experts. It is also interesting that both members of the executive and legislative branches suggested a low level of trust towards the government institutions in Kyrgyzstan. However, the representatives of the civil society were particularly eloquent regarding this problem.

Knowledge deficiency of public finance and laws

In addition to the lack of qualifications of local governments, Interviewee #8 also underscored the problems of financial and legal ignorance among the people as the main barrier for conducting a budget hearing:

“Here people do not know what their rights and responsibilities are. It is a new country.... Ambiguities in the law, and there is a lack of culture in the local decision-making process...”

Interviewee #12, a former independent participant in budget hearings, complained that people do not ask questions during the hearings because they do not have an understanding of the budget:

“Residents can ask simple questions, such as why did the education department receive this amount of resources... they [citizens] are guided by concrete numbers that they hear during the budget hearings.”

A former employee of the Finance Ministry, interviewee #20, also pointed out the lack of public finance knowledge, which he observed during the seminar organized for the civil society by the Soros Foundation.

It can also be argued that the complexity of budget documents also causes the lack of knowledge of public finance. In this respect, both citizens and public administrators highlighted the complexity of the budget document as the core impediment for successful budget hearings. Interviewee #5 explained:

“They [authorities] are unable to present the budget information in an accessible format. The budget in itself is a bureaucratic document. If it is presented in the existing format, people could not understand it.... the local government is not going to reveal some nuances in the budget, unless local activists learn how to read the budget. And this is the biggest challenge. Therefore, many public hearings are turning into formal gatherings, because local governments reveal only those numbers [budget information], which does not cause discontent among the residents. In reality, local governments tend to hide most of the ‘risky’ [controversial] budget expenditure information.”

Local capacity level

Another obstacle highlighted is the problem of resource constraints at the local level. The resource constraints in this respect imply that the local government is limited

in its ability to address completely the recommendations and suggestions raised by the participating residents due to budget constraints.

Resource constraints at the local level also imply limited or inadequate human resources capacity at the local government level. For example, the interviewed citizens and experts stressed the lack of qualifications of local administrators and frequent changes of local leaders.

The issue of lack of demand for budget transparency at the local level was noted in the interview with the representative of the NGOs who had long experience in assisting in budget hearings. This particular interviewee viewed the current budget hearings practice as a supply-driven phenomenon, which raises concern over its sustainability. Interviewee #6 argued that it is easy to force the government to release information by creating necessary laws; however, creating demand-driven budget hearings, is more complex:

“In order to have effective budget hearings there is a need to create the demand for transparency at the local level [*among the population*]. It is very hard to create this demand.”

Non-implementation of laws

The issue of legal nihilism is pervasive across many post-Soviet countries. This problem is particularly acute in Kyrgyzstan. Several of my interviewees, representing both experts and government employees expressed a particular concern over the weak enforcement of existing laws. For example, interviewee #12 suggested that:

“The existing legislature in Kyrgyzstan was developed very well, and it allows wider opportunities for the public to control the authorities. However, the authorities do not

want to become transparent. The law is not functioning. There is a legislative act in place that obliges hearings. There is a legislative act that obliges government to release financial information. There is a legislative act, according to which state bodies are required to report on measures taken to release the information. I have not seen any of these reports.”

On the other hand, the problem of the lack of knowledge of laws among *public employees* was noted by the respondents. According to a former budget hearing participant in Bishkek, interviewee #13, the government continues to ignore her numerous requests for government information. She did suggest that the nonresponsive behavior of public employees might relate to their low level of education and lack of awareness of the Freedom of Information Law. She lamented that, “given the low salaries of average public employees, only those with low qualifications will join the service.”

My other conversational partner, interviewee #12, voiced similar concerns about the public. The interviewee pointed to the lack of awareness about the existing laws among the citizens.

Finally, the representative of the legislative council, interviewee #7, underscored that Kyrgyzstan’s society developed an “acceptance of lawlessness.”

Other barriers

The manner in which budget hearings are carried out impacts future participation in the budget hearings. According to Berman (1997), who studied citizens’ cynicism in the United States, even elementary negative experiences in dealing with a government agency may change how a citizen views the entire political system. The good news, the author argues, is the fact that existing forms of cynicism are rooted in management of

citizen-government relations. Berman therefore believes that public administrators play a particular role in increasing trust and addressing cynicism.

Following a similar line of thinking, one respondent representing an NGO based in Bishkek, interviewee #5, suggested that public administrators can address the problem of nonparticipation by holding budget hearings on an issue that is of interest to the local population. The interviewee suggested that this strategy increases residents' participation during the hearings.

Interviewee #11 emphasized that performance-based indicators need to be used to present the budget report. The interviewee highlighted that, "people do not need a line-by-line report of the budget expenses; they need indicators such as child mortality rates, life expectancy, and other indicators."

In an evaluation of interview responses, the culture of nonparticipation does exist in Kyrgyzstan, but participation varies across local governments. For example, only twenty people came to the budget hearings in the district of Aravan, but more than one hundred people were present during the hearings in the Aksy district.

"Some villages are active, some are not. I believe it relates to the information deficit. If they [local governments] worked more [to inform the people about hearings], I believe everybody would be interested in coming. Also, some budget hearings take place in the month of June when the irrigation season begins, therefore a smaller number of people participate," explained interviewee #11, representing an NGO in Osh.

The interviews reveal that cultural differences exist in the way citizens interact with the local authorities throughout Kyrgyzstan. For example, it was noted that people in local governments located in the Batken region are more direct when questioning the

public administrators during the budget hearings. This characteristic is linked to the small size of local governments in Batken (with respect to the territory and population size) and is conducive to a more open government. It should also be noted that most of the local governments in the southern area, including the Batken region, are particularly ethnically diverse.

QUESTION II. SUSTAINABILITY

The interviews also explored the sustainability of the practice of budget hearings. Although the law requires the conducting of budget hearings, an oversight mechanism to control its implementation does not exist. However, once an example is set, the policy appears to have some continuity. The interviews with experts reveal that the budget hearings process was initially primarily donor driven. In order to receive financial support from donors, criteria for conducting budget hearings was developed. By 2004–05 some of the local governments had grown accustomed to the practice of budget hearings and some residents had gotten used to the fact that information was slowly becoming accessible.

Currently, budget hearings are being carried out extensively at the village level. For example, in 2011, the Eurasia Foundation, supported by USAID and the World Bank, conducted budget hearings in the villages of forty districts across three provinces. In the same manner, the NGO Alliance for Budget Transparency conducted trainings in fourteen rural local governments in 2011, inviting along representatives from ten neighboring local governments to each of the fourteen local governments supported

(Table 13). As a result, a total of 140 local governments have been exposed to trainings related to the implementation of budget hearings. In other words, the majority of 400 local self-governments that exist in Kyrgyzstan were exposed to the training and practices of budget hearings.

Local governments that conduct a budget hearing once tend to continue the practice. For example, in a short telephone survey across fourteen local governments that conducted budget hearings in 2011, almost 90 percent confirmed holding budget hearings in 2012. The remaining local governments that did not hold budget hearings in 2012 explained that this failure was due to lack of time or delays in obtaining budget estimates from the Finance Ministry.

Table 13: List of local governments supported by the Alliance for Budget Transparency in 2011

	Local government	District	Region	Conducted in 2011	Conducted in 2012
1	Teplokluchenska	Aksy	Issyk Kul	Yes	Yes
2	Tup	Tup	Issyk Kul	Yes	NO
3	Arman	Bazar Korgon	Jalal Abad	Yes	Yes
4	Dostuk	Nookan	Jalal Abad	Yes	Yes
5	Kosh Dobo	Kochkor	Naryn	Yes	Yes
6	Uchkun	Naryn	Naryn	Yes	Yes
7	Dara	Batken	Batken	Yes	Unclear
8	Kadamjai	Kadamjai	Batken	Yes	Yes
9	Sarai	Kara Syy	Osh	Yes	Yes
10	Kurshab	Uzgen	Osh	Yes	Yes
11	Bekmoldo	Talas	Talas	Yes	Yes
12	Chimket	Kara Bura	Talas	Yes	Yes
13	Aleksandrovka	Moskovskiy	Chui	Yes	Yes
14	Nurmambet	Issyk Ata	Chui	Yes	NO

Factors outside the scope of the local government as well as internal factors impact the decision to conduct budget hearings. As an example, during my interview with the local government of Nurmambet, I learned that it failed to have its regular budget hearing in 2012 due to the ongoing reorganization of the district. In this particular case, sustainability of budget hearings appeared to be disrupted by the continuous administrative reforms taking place at the national level.

Several interviews linked the sustainability of budget hearing practices to the quality of leaders at the local level. According to interviewee #19, affiliated with an NGO based in Bishkek, “Conducting budget hearings does not have a goal of defaming the head of the executive local administration...but demonstrates transparency.” The interviewee also noted that, “The young local heads of administration were very enthusiastic about conducting budget hearings.”

For interviewee #12, affiliated with an NGO based in the city of Osh, the role of local government heads is perceived to be crucial. He explained that a high level of turnover of political leaders prevents sustainability of participatory budgeting as the local government loses its institutional memory:

“The political environment in Kyrgyzstan changes very frequently. People who execute the budget are replaced frequently.... The international organizations who train these people are getting tired, they cannot train new people always.”

A former participant in the budget hearing in Bishkek, interviewee #15, underscored that budget hearings will continue:

“Donors are interested in it, and the population and opposition are interested, because the

budget committee is controlled by the opposition. This is written in the Constitution. Therefore it is beneficial for the opposition. Practical experience indicates that public hearings are required on almost every question.”

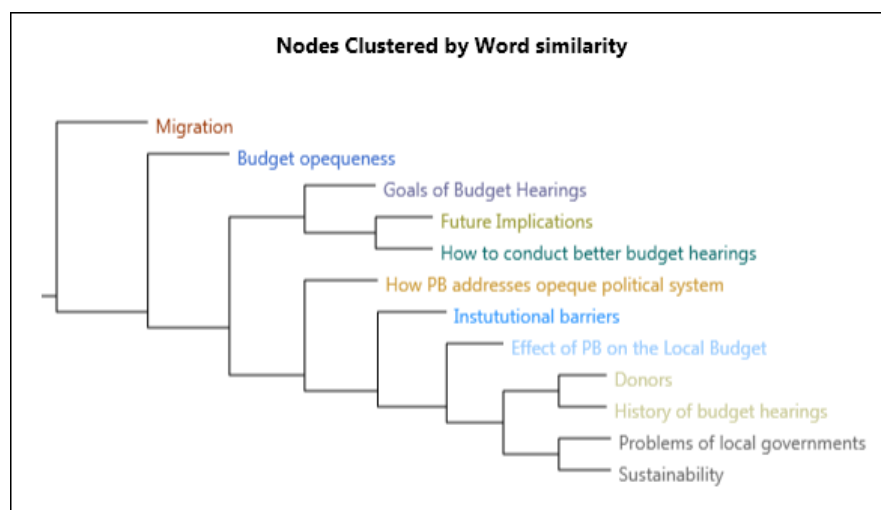
Several interviewees, who previously participated in the budget hearings, felt that the prolonged engagement of the donors was essential for the continuity of the budget hearings. However, interviewee #15 also highlighted the need for the financial independence of local governments:

“At the local level, budget hearings continue to be conducted. However, it is hard to discuss this issue, because the local government depends on the central budget. All of them are mostly subsidized. Unless they become independent [financially] it is very hard to say. Until the Ministry of Finance does not provide them with the final numbers, it is all useless. Therefore, trust in the effectiveness of this mechanism is being jeopardized. When the process is declarative, it becomes ineffective very quickly. Therefore, one begins losing trust. Everything is based on trust.”

In addition to these issues, I observed that with respect to donors’ engagement in Kyrgyzstan’s budgeting process, a large number of agencies are engaged to assist. However, no central institution oversees the process of budgetary reforms, including citizen engagement, at the national level. The ministry that oversees local government issues was dissolved in 2011 with no entity taking over these functions.

My analysis of the responses to questions related to institutional barriers and sustainability reveal some similarities. The cluster analysis of word similarity in the responses to sustainability and institutional barriers demonstrate a close proximity of the responses to both questions (see Figure 18).

Figure 18: Cluster analysis of responses on barriers and sustainability



QUESTION III. EFFECT OF BUDGET HEARINGS ON THE BUDGET DECISION MAKING

As I noted earlier, the first budget hearing at the city level in Kyrgyzstan was conducted in 1999. The first budget hearing at the village level was conducted in 2003. From 1999 to 2011, over 200 budget hearings were conducted across the country. I also noted that hearings are not conducted annually in every municipality and the analysis of several municipalities confirmed this fact. I analyzed the effect of budget hearings on the fiscal situation at the municipal level by examining the copies of protocols of budget hearings, the historical budget information of municipalities, and the interview responses of public administrators.

According to the existing research on budget hearings in Brazil, the collection of taxes increased significantly in some of the municipalities, and in other municipalities, budget hearings were linked to the decline in the level of arrears in property taxes (UN-

Habitat, 2008). Budget hearings in Thailand resulted in an improvement of public service delivery and consensus among diverse communities (Suwanmala, 2007).

In order to understand the effect of budget hearings on a particular budget, we have to understand the goals that a country pursues in implementing participatory budgeting. I analyzed the interviews collected to understand the interviewees' perceptions about the goals of budget hearings (Table 14). Most of the interviewees perceived budget hearings to be a tool to promote transparency, trust, and access to information.

Table 14: Budget hearings defined by the residents and other stakeholders

	Unordered List of Definitions
1	Budget hearings restore trust
2	Budget hearings relate to efficiency
3	Budget hearings are conducted to let residents to know where the government spends their money
4	Budget hearings are a game of pretending to be a democracy
5	Budget hearings are conducted "to let off steam"
6	Budget hearings are a formal process that they [authorities] do in order to comply with the requirements of international organizations such as the IMF and World Bank
7	Budget hearings are a tool to achieve transparency
8	Budget hearings are instruments that enable residents to influence decision making
9	Budget hearings are conducted to address the lack of open financial information
10	Budget hearings are carried out so that the members of local legislative councils know about issues that are taking place and the concerns of the population, and so that residents can present their proposals and ideas
11	Budget hearings are conducted so that the budget document remains "alive"
12	Budget hearings are conducted to make people interested and engaged in projects that require their contributions [monetary and nonmonetary]

I analyzed the budget hearing protocols for the local governments of Bishkek, Shaidan, Masy, Tup, Uchkun, Teplokluchenka, Osh, and Nurmambet to understand the nature of the questions and recommendations raised by the residents during the hearings, and the manner in which these concerns were addressed by the local governments. An analysis of the recommendations and questions demonstrate that most of the problems highlighted include waste collection, access to drinking water, and roads. In seven out of eight instances, residents requested the local government to allocate more resources for renovating roads (See Table 19). In the city of Osh, the residents raised concerns regarding the quality of utility services, and in all the local governments, except for the city of Bishkek, citizens asked that attention be paid to the problem of waste collection. See Appendix F for details of the questions and recommendations raised during the 2011 and 2012 budget hearings across eight local governments.

In several local governments, residents not only raised concerns but also offered advice on how to locate new sources of taxation. For example, in 2011, the residents in Teplokluchenka recommended an increase in budget revenues by renting out municipal property. In Uchkun, residents advised increasing budget revenues by collecting patent fees from the taxi services. In a 2012 hearing, a resident of the Shaidan local government advised that the government should collect new taxes from private companies for using sand and gravel located on village territory.

One of my interviewees, representing an NGO based in Bishkek, cited several examples where residents' concerns were addressed as a result of open budget discussion. For example, in the Tup Local government, land for an animal market was allocated at

the request of residents. In the Uchkun local government, the request to build a bridge to access pastures was addressed during the budget hearings.

Many of my conversational partners stressed that residents demanded an increase in expenditures for services during the hearings (Table 15). Budget constraints, however, prevented these requests from being implemented. In this respect, interviewee #5 noted that budget hearings in wealthy municipalities are more productive, as poor local governments do not have budget flexibility. Nevertheless, budget hearings in less wealthy local governments were also productive as residents put forward recommendations related to the possibilities of increasing the government efficiency through better service delivery or tax collections. Interviewee #4 shared a story where, during a hearing in Balykchi city, a citizen proposed an effective use of government resources.

Story 1: Saving Costs by Listening to Citizens

In early 2000 the city of Balykchi in Issyk Kul Oblast held budget hearings. The finance division of the city reported expenditure levels for the recruitment of the military service, among other things. In particular, it was reported that the city had annually put aside resources to cover transport, travel, and per diem expenses for over one hundred new military recruits to undergo medical checks in the capital of the region located several hours away. At the end of the report, a resident took the floor and suggested an alternative way of doing it more effectively. In particular, he suggested paying travel expenses for four doctors to come to the city, instead of covering expenses for more than a hundred people to travel to the capital. The suggestion was welcomed by the local government as it would substantially decrease the cost of military recruitment.

Therefore, although budgets are constrained and the recommendations of citizens may not be implemented, not many residents demand expenditure increases, and some even propose efficient ways of using limited resources.

During budget hearings a larger number of residents tend to submit questions and notes in a written format. Written requests are not reflected in the official government protocols. However, according to interviewee #1 from the legislative council of the city of Bishkek, all written questions are analyzed in order for the mayor's office to understand the budget priorities of the population: "We [Bishkek city authorities] address all the issues. As I said, if last year most of the complaints raised were related to the greening of the city, this year these particular concerns were expressed in a smaller number."

Table 15: List of issues most frequently discussed during the 2011-2012 budget hearings across rural and urban areas

Urban local governments	Rural local governments
Corruption/abuse in schools	Access to drinking water
New ongoing construction	Waste collection
Issues related to children	Building/renovating roads/bridges
Taxes	Taxes
Gender issues	Quality of local government work
General socioeconomic issues	Management of pastures
Assistance to marginalized groups	General agricultural issues
Environmental issues	Improving irrigation
	Salaries of public employees (teachers/doctors)
	Suggestions on tax collection policies

The interviews with the local governments reveal similarities for how local governments perceive the impact of budget hearings on the budgetary process. With a few exceptions, most local governments suggested that citizens' recommendations and questions raised during the hearings were all addressed and reflected in budgetary decision making. In addition, local governments addressed more urgently those issues raised by a group or several participants at the hearings. Table #16 demonstrates a list of the responses received to this question during interviews with local public administrators.

Table 16: List of frequently noted responses on the impact of budget hearings on the budgeting process

	Frequently noted responses
1	No effect
2	A result occurs only when an issue is raised by many or a group of NGOs
3	All the recommendations raised during the hearings are reflected in the budgetary decision making process
4	It depends on the priorities and the nature of issues raised during the hearings
5	The budget hearings improved local government's work in allocating resources effectively
6	We reflect on all the recommendations for the budget
7	Budget hearings improve the work of local government and enable citizens to see the results of government work
8	We analyze all the questions and issues raised by the participants

QUESTION IV: EFFECT OF BUDGET HEARINGS ON LOCAL POLITICS

Several interviewees discussed the effect of budget hearings on local politics. A member of the legislative council of the local government in Logvinenko noted that the opportunity to discuss the budget in public strengthens the possibility that council members will lobby for certain policies. The council member also suggested that prior work with the population is required to encourage residents' interest and participation in the hearings. According to the council member, not many members of the legislative council are skilled in these areas.

Interviewee #15 lamented over the existing monopoly enjoyed by the Ministry of Finance in overseeing the budget and contended that the Finance Ministry is maintaining all efforts to continue to control the budgetary process.

Although many of my interviewees spoke about the lack of political independence exercised by the local governments in Kyrgyzstan, some believed that the current environment in Kyrgyzstan is conducive for promoting participatory tools. Interviewee #15 noted that: “ the authorities are currently weak, the public is strong. The authorities are more accommodating now.” This point was expressed in the context of the recent 2010 popular uprising that led to the creation of the parliamentary form of governance in Kyrgyzstan. Furthermore, this interviewee argued that the active participation of citizens makes an impact. As an example, the interviewee referred to the expansion of the staff at the Finance Ministry for overseeing budget transparency. The respondent considered the staff increase to be a reaction to the continuous criticism of the Finance Ministry during budget hearings.

During the interviews, I also asked about who benefited from the local participatory budgetary process. Many representatives of NGOs and some legislative council members viewed the executive branch as benefitting from the participatory process. In this respect, Interviewee #19 noted that the heads of the local administration needed to make the budget hearings more transparent, demonstrate the shortage of resources, and show that residents were continuously failing to pay appropriate taxes.

Although local governments could gain many benefits through budget hearings, not many interviewees felt that the local authorities were enthusiastic about holding hearings. Interviewee #19 suggested that younger heads of the local government were more interested in carrying them out.

That said, many local governments, especially in subsidized areas, are now beginning to understand the benefits of holding budget hearings. For example, as Interviewee #20 explained:

“Currently there is a tendency among residents to say that they are paying taxes, and then to ask what is happening with them. Therefore it is better to have a hearing and explain how the money is spent. If we are financially supporting one village in the area, the other village is not aware of it. We can demonstrate that we are working. Then people begin to understand.”

The analysis of interviews with citizens and active residents indicates the level of discontent with the budget hearing process. Budget hearing participants in particular highlighted the declarative nature of the current hearings, the low quality of facilitation during the process, and the low level of cooperation by the local governments.

On the other hand, the interviewees representing local governments emphasized problems related to residents' behavior, which included low level of interest in budget hearings, nonparticipation, and a low level of understanding of the budget process. Please see the list of points expressed by citizens and local governments in Table #17 for more details.

Table 17: List of some key points with respect to the participatory process highlighted by citizens and local government employees during interviews

	Key points expressed by citizens	Key point expressed by representatives of the local governments
1	Budget hearings are an instrument for communication with the population.	The population is indifferent.
2	Budget hearings are a game of pretending to be a democracy.	Our mentality is the main barrier... People live like in the Soviet time, nothing can make them interested.
3	After attending the budget hearings I understood that I wasted two hours of my time.	Budget hearings help to restore trust.
4	Only people who are invited by the government come, therefore nobody asks any provocative questions during the hearings.	People do not believe in anything.
5	To recommend anything [during the budget hearings] to the authorities is useless.	After two revolutions, people are less fearful of the authorities.
6	Budget policies should be part of the conscience and culture of the population.	Our citizens are active, if the issue concerns them, you will observe a high degree of participation. Nonparticipation implies that the issue is not a priority for them.
7	Budget hearings are formal and they [people in power] do it [conduct budget hearings] simply to comply with the requirements of international organizations such as the IMF and World Bank.	The most important thing is to have financial resources. If an average resident had a problem and the local government provided some help, then this resident will change his attitude toward the government.
8	The authorities are “deaf” and “irresponsive.”	It is difficult to make citizens interested in the participation

		process, just as it is hard to bring them to the hearings.
9	Those in power are not "statesmen." They are not professionals and the competence level is getting worse.	The most active participants are retired people and NGOs; young people do not participate.
10	If people are active during the hearing, the authorities take it as an attack. We have to teach the other side [authorities] to understand the budget process.	
11	The mayor's office is not interested in having more people showing up at the budget hearings.	
12	They [authorities] gather [people] once a year to let off steam.	
13	The usefulness of the budget hearings is enormous if they are conducted according to the rules.	
14	I lost any interest in participating in budget hearings.	
15	The Finance Ministry is afraid that we are getting engaged in a serious financial policy.	

ANALYZING SURVEY RESULTS TO CONFIRM INTERVIEW FINDINGS

The survey results were analyzed using the STATA program. In addition to some demographic and economic characteristics, the survey questions also inquired about the experience of holding budget hearings in local governments (Please see table 18 for details of data sources). The main goal of the survey was to gather additional information with respect to sustainability and the impact of budget hearings, and survey findings try to validate or confirm the findings from the interviews. The analysis demonstrates that more local governments conducted budget hearings in 2012 than in 2011 (88 percent

versus 82 percent). Over one half of the local governments (52 percent) reported receiving support from various NGOs to conduct budget hearings.

Table 18: Variables, measures, and data sources

Variable	Measure	Description	Original Data Source
Age	Age	Age of head of local government	Survey
Years in service	Number of years	Numbers of years in the service	Survey
Population	Population size	Total number of people	National Statistical Committee
Budget subsidized	Is budget subsidized	Dummy variable: 1=yes, 0=no	Survey
Years for first hearing	Number of years since the first hearing conducted	Total number of years since the first hearing conducted	Survey
Rural	Classifies local government into urban and rural	Dummy variable: 1=rural, 0=urban	National Statistical Committee
Number NGOs	Number of registered NGOs	Total number of NGOs	Survey, National Statistical Committee
Number active private enterprises	Number of registered active enterprises/firms	Number of registered active enterprises/firms	National Statistical Committee
Conducted hearing in 2011	Did local government conduct budget hearing in 2011?	Dummy variable: 1=yes, 0=no	Survey
Conducted hearing in 2012	Did local government conduct budget hearing in 2012?	Dummy variable: 1=yes, 0=no	Survey
Conduct hearing in 2013	Will local government conduct hearing in 2013?	Dummy variable: 1=yes, 0=no	Survey
Hearing impact on budget (positive)	What is the impact of hearing on the budget?	Dummy variable: 1=positive; 2=negative	Survey
Hearing impact on work (positive)	What is the impact of hearing on the work of the local government?	Dummy variable: 1=positive; 2=negative	Survey
NGO supported	Did any NGO assisted in conducting budget hearing?	Dummy variable: 1=yes; 2=no	Survey

Local public administrators were asked to explain their perceptions regarding the effectiveness of budget hearings on the management of public finances and local government administration. On the question of whether the budget hearings were helpful in making budgeting more effective and efficient, a larger number of local governments (64 percent) provided negative responses. It should be noted that the responses were

included in the negative category when the results of a hearing were perceived by the interviewee to increase budget expenditures. In comparison, a larger number of local governments (82 percent) reported the budget hearing's positive effects on the work of the local government. This finding is supported by my qualitative interviews where some of the administrators interviewed suggested that having a budget hearing was productive as it enabled local government to communicate and discuss budget issues with everybody at once.

Table 19: Summary statistics for selected responses

Question	Answer	Freq	Percent
A budget hearing impact on budget (positive)	No	21	63.64
	Yes	12	36.36
A budget hearing impact on politics (positive)	No	6	18.18
	Yes	27	81.82
Budget hearing in 2011	No	6	18.18
	Yes	27	81.82
Budget hearing in 2012	No	4	12.12
	Yes	29	87.88
Budget hearing in 2013	Yes	3	9.09
	No	30	90.91
NGO supported	No	16	48.48
	Yes	17	51.52
Level of economic development	Urban	10	30.3
	Rural	23	69.7
Is budget subsidized by the central government	No	14	42.42
	Yes	19	57.58

Analysis of the results

Correlation analysis

The results of a simple correlation analysis demonstrate a high degree of correlation between the variables “Budget hearing in 2013” and “Budget hearing in

2011” (Table 20). Similar to my qualitative interview results, correlation analysis demonstrates negative relations between the variables “Budget hearing in 2011” and “Budget hearing in 2013” with the variable that measures whether the budget of a local government received subsidies (-0.09) and (-0.27) accordingly. The variable “Budget hearing in 2013” also appears to have a positive correlation with perceptions of local government administrators on the positive effect of hearings on local budget (0.24) and positive effect hearing on the work of the local government (0.27). A negative correlation is observed between “Budget hearing in 2011,” “Rural,” and “Number of active firms.” The correlation analysis also reveals positive correlation of having hearings in 2011 with the previous history of budget hearings. Positive and high correlation is between “Budget hearing in 2013” and if the population is ethnically diverse. The remaining variables do not demonstrate a high level of correlation. Variable “Budget hearing in 2012” and “Budget hearing in 2011” have one of the highest positive correlations (0.78), which indicates that a previous history of participatory process in budgeting may determine continuation of the process.

Table 20: Correlation matrix of examined variables

	Age	Years in service	Population	Budget subsidized	Years since first	Hearing in 2011	Hearing in 2013	Hearing in 2012	Hearing impact on budget	Hearing impact on politics	NGO support	Number of poor families	Number of active firms	Number of NGOs	Rural	Ethnic composition
Age	1.00															
Years in service	0.46	1.00														
Population	-0.15	-0.16	1.00													
Budget subsidized	-0.05	0.06	-0.36	1.00												
Years since first hearing	0.16	0.03	0.13	-0.43	1.00											
Hearing in 2011	0.02	0.02	0.07	-0.09	0.01	1.00										
Hearing in 2013	0.11	0.21	0.12	-0.27	0.28	0.12	1.00									
Hearing in 2012	0.04	0.05	0.07	-0.13	0.05	0.78	0.20	1.00								
Hearing impact on budget	-0.18	-0.11	0.21	-0.12	0.21	0.19	0.24	0.08	1.00							
Hearing impact on politics	-0.20	0.14	0.13	-0.40	0.12	0.19	0.67	0.30	0.19	1.00						
NGO support	-0.17	-0.06	0.31	-0.34	0.14	0.01	0.33	0.01	0.23	0.49	1.00					
Number of poor families	-0.10	-0.27	0.66	-0.24	-0.12	0.06	-0.23	0.07	-0.05	0.02	0.30	1.00				
Number of active firms	0.05	-0.26	0.19	-0.27	0.04	-0.20	0.08	0.12	-0.30	-0.02	0.24	0.11	1.00			
Number of NGOs	-0.17	-0.25	0.65	-0.08	-0.20	0.17	0.14	0.16	0.00	0.14	0.28	0.66	0.20	1.00		
Rural	0.05	0.25	-0.44	0.23	0.08	-0.14	0.02	-0.0	-0.05	0.03	-0.11	-0.22	-0.22	-0.13	1.00	
Ethnic composition	0.10	0.22	0.38	-0.51	0.36	0.14	0.35	0.15	0.16	0.28	0.42	0.09	0.22	0.24	-0.03	1

Analysis of probit regression

Given the findings of the qualitative data collected, the survey information, and the existing literature the following models were developed:

$$Pr(Y=1|X_1, X_2, X_3, \dots) = \Phi(\beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_i X_i)$$

- where Φ is the cumulative normal distribution
- $z = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots$ is the “z-value” or “z-index” of the probit model.

Model 1: $Pr(\text{Budget Hearing in 2011}) = \beta_0 + \beta_1 \text{Age} + \beta_2 \text{Years in Service} + \beta_3 \text{First Budget Hearing} + \beta_4 \text{Population} + \beta_5 \text{Budget Subsidized} + \beta_6 \text{Number of Firms} + \beta_7 \text{Number of NGOs} + \beta_8 \text{Number of Poor Families} + \beta_9 \text{Rural}$

Model 2: $Pr(\text{Budget Hearing in 2013}) = \beta_0 + \beta_1 \text{Age} + \beta_2 \text{Years in Service} + \beta_3 \text{First Budget Hearing} + \beta_4 \text{Budget Hearing in 2011} + \beta_5 \text{Number of NGOs}$

In the first model, the dependent variable is a binary data on whether budget hearings were conducted in 2011 (yes=1, no=0). Several key independent variables are included in the model. The continuous independent variables include the age of the head of local government, number of years in the current position, population size of the local government, years since the first budget hearings were conducted, number of NGOs, number of registered active private enterprises, and number of poor in the local government. Variables “rural” and “budget subsidized” are dichotomous and specify whether the local government is rural and if the local budget is supported by the central government.

In the second model, the dependent variable is a binary data on whether budget hearing will be conducted in 2013 (yes=1, no=0). The continuous independent variables include individual features of local leaders such as age and years in service. The remaining variables related to the history of budget hearing in the local government, such as number of NGOs, whether hearing was held in 2011, and the number of years since the first budget hearing in the local government.

This equation represents the ideal analysis. Table #21 demonstrates the final results of the probit regression.

Table 21: Probit regression analysis of measuring predicted probability of holding budget hearings in 2011 and 2013.

	Probit model I		Probit model II	
	Coefficient	p>[z]	Coefficient	p>[z]
Dependent variable				
Did you have budget hearing in 2011	3.14	0.271		
Will you have budget hearing in 2013			3.43	*

Independent variables*Individual characteristics of the leader*

Age of the local head	-0.07	0.65	-0.16	**
Years in service	0.08	0.52	0.54	**

History of hearing

Years for first hearings	0.06	0.41	0.97	*
Did you have 2011 hearing?			0.46	0.57

Local government characteristics

Population	-0.00	0.17	0.00	0.43
Budget subsidized	-0.95	***		
Number of NGOs	0.22	0.15	0.13	**
Number of firms	-0.01	***		
Number of poor families	0.00	0.71		
Rural	-1.05	**		

Model Significance

Wald chi2(6)	42.27	19.15
Prob > chi2	0.0000	0.0039

Goodness of fit

Pseudo R ²	0.221	0.543
Count R ²	0.87	0.97
N	33	33

Note. * = $p < .1$, ** = $p < .05$, *** = $p < .01$; standard errors are robust standard errors; p(z) are p-values for all independent variables; B(y) are y-standardized coefficients

The models estimate the predicted probability of conducting the budget hearing in 2011 and 2013. Several tests were run to verify the model fit. Overall the model fit is relatively high. The likelihood ratio chi-square of 42.27 and 19.15 with a p-value of 0.00 for both models tells us that the model as a whole is statistically significant. A variance inflation factor was calculated to check for multicollinearity but this was not detected.

In the first model, several independent variables of interest contribute to the variation in the dependent variable. For example, the variables measure local

government features such as being subsidized by central government, having number of firms and “rural” were statistically significant at 0.05. Similar to the findings of the interviews, we statistical analysis confirms that being economically less independent decreases probability of conducting budget hearings in 2011. Having a large population size and having an older head of the local government also decreased the predicted probability of having budget hearings, although not statistically significant. On the other hand, if the head of the local government remained in the current position for a longer time, the predicted probability of having budget hearings also increases, holding other factors constant. Similarly, the history of budget hearings appears to be important as well. According to the designed model, local governments that have a long history of budget hearings demonstrate a higher predicted probability of holding budget hearings in 2011. Finally, as expected, a higher number of NGOs in the local government also increases the predicted probability of budget hearings. Although the last three variable were not statistically significant. It should also be noted, that adding the variables “hearing impact on budget” and ‘hearing impact on work” did not improve the model—therefore the variables were not included. There could be several explanations behind this absence of change. First, my interviews with local governments and NGOs reveal that governments do not conduct evaluations on the impact of budget hearings. Therefore, the decision to conduct budget hearings is determined by other factors and the impact of hearings on the work and the budget of the local government is not necessarily significant. Second, as it was noted earlier, many hearings are facilitated by donors who, based on their own criteria, select local governments for projects related to participatory budgeting.

The second model, which measures probability of conducting budget hearing in 2013, confirms that individual features of the local leaders are important. Having an older local leader decreased probability of holding budget hearing, but having a similar leader for a longer term increases the probability of holding budget hearing and it is statistically significant. As in the first model we confirmed that a higher number of registered NGOs increased the likelihood of budget hearings, and it was found to be statistically significant. The model also reveal that previous history of budget hearings have positive effect on the likelihood of continuing the practice, although it was not statistically significant.

Several notes need to be mentioned with respect to the constant coefficient. The constant term for the first model is positive 3.14 (in the second model it is 3.43), which implies that if all predictors are evaluated at zero, the predicted probability of conducting a budget hearing is still positive. There are several explanations for this finding. First, as I highlighted earlier, the role of international organizations and donors is significant in promoting participatory practices. However, due to the difficulty in categorizing donor activities and priorities, this information was not incorporated. Instead, the variable number of NGOs in the local government was used as a proxy for the donor involvement variable. Second, as I highlighted earlier, the law in Kyrgyzstan requires conducting budget hearings. In this respect, some local governments may have institutionalized a practice that means that 2011 budget hearings were conducted without the influence of other factors and it will be the case for holding hearings in 2013.

TESTING THE PROPOSITIONS

P1: Lack of trust towards the government and the high level of corruption hinder engagement of citizens in participatory budgeting.

Interview responses confirm that lack of trust causes nonparticipation, hence decreasing the quality of the budget hearings. The perception of corruption in Kyrgyzstan has been continuously worsening. In 2011, it ranked 164 out of 183 countries in Transparency International's Corruption Perceptions Index. Corruption was noted in several interviews that I collected. A former participant in budget hearings in Bishkek suggested that corruption may be eliminated if the budget hearings are conducted at the level of the ministries. Another interviewee representing the civil society noted that corruption practices are currently taking place at the level of the Finance Ministry. In general, the interviewees' responses implied that corruption could be addressed through implementation of budget hearings.

P2: Organizational factors such as a low level of government administrators' professionalism prevent the implementation of successful participatory budgeting process.

Several interviewees noted the low level of professionalism of local administrators. A former participant in budget hearings in Bishkek, interviewee #13, explained that:

"They [the authorities] are unable to feel this enormous responsibility. You understand that these are not statesmen. They are not held responsible if they violate the law. Everyone, from the president to the head of the local government, violates the law..... We have a law "On Access to Information".... I know about it, because I studied this law extensively, because we, the average people, send requests [to people in power] but

nobody replies.... They have two weeks to respond.... But they do not respond and nobody is held responsible.”

Another former participant in budget hearings in Osh lamented that:

“We [budget committee] had a desire to make a transparent budget policy in this municipality [Osh city]. In the rural areas the thinking is a bit different; the corruption level is also the lowest. But, unfortunately, the rural local governments lack people with skills. You are aware of the quality of their personnel [public employees].”

Lack of professionalism was also reflected in the way budget hearings were moderated. During the hearings, I observed that the moderators of the budget hearings were not very skilled in carrying out discussions. In addition, members of the local legislative councils were either not present or not active during the budget discussion.

I also noticed that many rural local governments not only lack specialists, but they are also extremely understaffed. During my interview in the village of Nurmambet, I observed seven people sharing one room, and a line of residents in the waiting areas. On the question of why the village of Nurmambet did not hold budget hearings in 2012, the staff member responsible for finances blamed a lack of time for not organizing the budget hearings.

P₃: The lack of economic resources of local municipalities (local budgets have insufficient amounts of discretionary resources) hinders implementation of participatory budgeting.

Having discretionary resources was a significant factor in carrying out participatory budgeting process in several New York districts in 2012. Having

discretionary resources makes hearings more effective as it enables governments to implement citizens' recommendations and suggestions. Interviewee #5, representing an NGO based in Bishkek, highlighted:

“Wealthy municipalities conduct budget hearings more interestingly, because they have extra resources to discuss and consider. But, poorer local governments also have resources, in the form of equalizing grants. We cannot argue that they have absolutely no resources. Speaking of the Jalal-Abad Region [the local government in this region conducted budget hearings and citizen evaluation of public services], they all belong to the group of subsidized local governments.”

My survey result analysis demonstrates that when the local government budget is subsidized by the central government the predicted probability of conducting budget hearings decreases.

P₄. An exogenous factor such as a high level of emigration lowers people's commitment to the issues of local government.

The issue of emigration was raised only in two interviews. A community leader of the city of Osh noted that given the size of Osh city it was impossible to monitor all resource allocations and that budget hearings were conducted primarily to inform the population. The respondent also noted that emigration was a big problem: “...people are leaving for work [to other regions and overseas]. Whenever we needed a person to speak out, he tended to be traveling somewhere.” Given the small number of references to emigration during the interviews, interviewees did not view it as an immediate external factor impacting participation in budget hearings.

P₅: The level of sustainability of budget hearings depends on the type of municipality studied, as well as on the level of support of this initiative by the civil society, local governments, and citizens.

Indeed the interviews and the local government documents analysis demonstrate that urban municipalities continue practicing budget hearings after the external assistance ends. On the other hand, continuity is being challenged at the rural level of administration. The rural local governments studied in this dissertation conducted budget hearings with some interruptions stemming from their selection to participate in projects sponsored by donors, and not related to the financial characteristics of local governments.

The main factor that hinders the sustainability of participatory budgeting in Kyrgyzstan is the lack of institutionalization (stability) of the entire government administration system. Many interviewees at the local government level, including in Osh, Lenin, Ivanovka, and Nurmambet noted that budget hearings were conducted with interruptions because of the political instability in 2010. Interviewee #6, representing an NGO, highlighted that the issues of sustainability and the monitoring of the budget hearings process are complex:

“Given such a large number of local governments, it is hard to say [which local governments continuously conducts budget hearings]. We do not have an agency that controls this question. It all depends on the level of people’s imitateness and local governments’ ability to reveal the information. As a rule, those local governments that historically conducted budget hearings benefited from it and continue to carry them out.”

My observations of budget hearings in several local governments demonstrate that the sustainability of these hearings is linked to past experiences. For example, if citizens’ questions are left unanswered during the hearings this could potentially discourage those

present to participate in future budget hearings. Therefore, the experience and the quality of the current budget hearings is a crucial factor for the successful continuity of this practice in the future.

Finally, the quantitative analysis of the survey results also confirmed that the economic condition of the municipality determines the probability of the local government to carry out the participatory budgeting process. Economically more dependent local governments reveal a higher predicted probability of not having budget hearings.

P₆: The use of participatory budgeting addresses the problem of lack of access to budget information at the local level.

One of the goals of the budget hearings is to address the lack of financial information. According to one of the interviews, if the information is released openly and is easily accessible to the public, no hearing would be required. According to the current practices, in many local governments the heads of the finance division at the local level are expected to prepare a short description of the budget, which should consist of simple explanations of revenue sources and areas of investment. In other words, budget hearings should address the problem of lack of information. Moreover, budget hearings enforce that local governments provide information in an understandable format. The interviews confirm that local employees make efforts to present or to speak during the hearing using the language that is understood by the general population.

P₇: The engagement of donors in the implementation of the process prevents local government from manipulating budget hearings.

Among thirty three local governments examined in this research, less than a half of local governments conducted budget hearings independently in the last two years. Municipalities that held budget hearings with external assistance received training, and a representative of an assisting NGO tended to participate during the hearing in the capacity of observer or moderator. The analysis of hearing protocols demonstrates that the presence of a third party during the hearings creates a more responsive local government during the discussion. In contrast to this, the city of Bishkek conducted budget hearings independently for many years. I observed during the 2012 hearing that the process of budget discussion was held with a high level of formalism. Moreover, the moderator of the hearings facilitated the discussion process in a very detached manner. Similar practices were observed during the 2011 hearings in Osh city, which also held budget hearings independently. Interviewee # 11 from the city of Osh complained that:

“In the last budget hearings that I participated in, I took the floor to ask some questions. They [authorities] remarked that I was not speaking very loudly. The authorities sitting at the tribune always dominate.... There are no halls [buildings] that make everybody feel at the ‘same level.’”

I should also note that the way the local governments responded during the Q&A sessions was also different depending on an urban or rural setting. It appeared that the level of responsiveness of local governments in the rural areas was higher compared to the urban areas. This responsiveness could be linked to size of local governments—in rural areas everyone appears to know each other and this creates a higher level of responsiveness and accountability.

P₈: Budget hearings have little effect on budget design or execution due to lack of enforcement of citizens' recommendations presented during the budget hearings.

Understanding the effect of hearings on budgets in general is fundamental as it determines the effectiveness of using this instrument. Conducting budget hearings carries different goals in different countries. In some countries the purpose is to consolidate the conflicting parties (Thailand), in others the goal is to bring disenfranchised groups to the decision-making process (Brazilian cities). One of my interviewees, representing an NGO, suggested that, "the budget hearings as they are currently being carried out are recommendatory in nature." This opinion was reiterated by the interviewees from local governments, who believed that some of the citizens' requests could never be implemented due to budget constraints.

Several points need to be highlighted with respect to the effect of budget hearings on the budget. Although conducting budget hearings is legislatively institutionalized, local governments are not obliged to accept citizens' recommendations and requests raised during the budget hearings.

Second, budget hearings take place sporadically across the country, which complicates the analysis of budget hearing effects on the budget. For example, the Lenin local government held its first budget hearing in 2007, which was then again conducted in 2012. Budget hearings were not conducted in the intervening years.

Third, it is difficult to isolate the effect of budget hearings on the budget of a local government, given the high number of other factors that impact the budgeting process, including ongoing budgetary and public administration reforms.

Fourth, the parliamentary system of government may become conducive for participatory budgeting, due to the fact that the opposition party controls the budget committee at the parliamentary level, according to the Constitution. Due to the fact that this system was recently introduced, the effect of the new political structure to the budget hearings is yet to be determined.

The analysis of budget hearing protocols of several municipalities demonstrates that the issues or questions raised in cities versus rural areas are different. Most of the concerns of the residents in rural areas relate to immediate needs such as improving access to drinking water, renovating roads, and improving garbage collections. Most of the issues raised in budget hearings in cities relate to long-term matters such as taxes, schools, and the police.

Summary

In this chapter I analyzed the interview responses of public administrators at the local government level, citizens, and experts affiliated with NGOs. I also examined other materials such as archives and local government protocols related to budget hearings. My personal observations during the hearings were incorporated in the analysis.

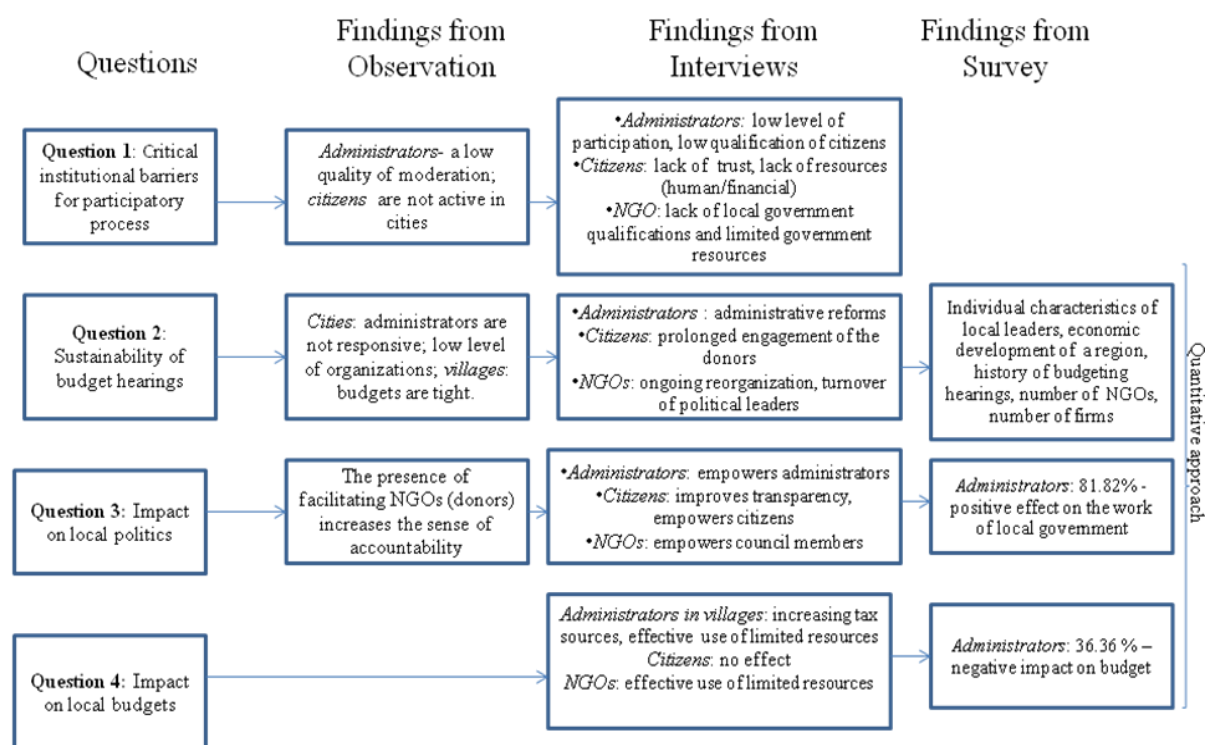
This dissertation poses several research questions that are examined using both qualitative and quantitative approaches. The examination of the questions was conducted in two stages. First, qualitative interviews with key actors were completed. Second, a selected number of local governments were surveyed.

Interview responses regarding constraints on participatory budgeting reveal common themes and issues, including the complexity of the budget document, lack of discretionary resources, a low level of trust in the government, and nonparticipation. In interviews with citizens, they noted the late notification of forthcoming budget hearings, the low quality of facilities, and the low quality of budget discussion moderation as hindrances for the hearings. Based on the information of local governments that conducted budget hearings with external assistance in 2011, we find that close to 90 percent of local governments that received outside training continue to practice hearings in the following year. The interviews, especially those with experts, reveal that local human capacity and quality is the core for the sustainability of budget hearings. In this respect all three categories of interviewees—local government employees, experts, and citizens—highlighted that a high turnover of local leaders and the low level of professional qualifications of local employees prevented the successful continuity of budget hearings. The interview results also demonstrate the difference between challenges faced by urban and rural local governments. Therefore, the issue of budget hearing sustainability appears to be connected with local government capacity rather than to donor involvement. With respect to the effect of budget hearings, most of the interviewees voiced concerns that many recommendations or proposals by citizens are

difficult to implement due to the lack of discretionary findings and the problem of enforcing the implementation of recommendations. However, my interviewees from the urban areas noted that the effect of budget hearings on the budget is expected to be more significant in rural areas due to small budget size, which is easy to scrutinize, and to the fact that local leaders tend to be more accountable in rural areas, as villagers and their local leaders have a high level of proximity.

The analysis of the interviews revealed that numerous factors influenced local government decisions to sustain budget hearings, including demographic and economic characteristics. In order to answer the question related to the sustainability of budget hearings in Kyrgyzstan and the effect of budget hearings, a survey of thirty-three local governments was carried out. The survey results were analyzed using the STATA software program. The analysis of the survey results confirmed that indeed, critical factors include the age of local leaders, the financial dependence of the local government, and population size. Similar to the findings in the qualitative part, the statistical analysis of the survey results confirm that the continuity of the budget hearing is common for urban areas, and that frequent turnover of local leaders negatively impact the predicated probability of budget hearings.

Figure 19: Summary of responses



CHAPTER SIX

IMPLICATIONS, LIMITATIONS, AND FUTURE RESEARCH

Discussion

This dissertation examined the particularities of implementing a participatory budgeting process in Kyrgyzstan. In order to evaluate this process, the following research questions were examined:

Q1: What are the critical institutional barriers that influence citizen engagement in budgeting at the local level in Kyrgyzstan?

Q2: What is the level of sustainability of participatory budgeting at the municipal level as it is being promoted by donors?

In addition, in order to explore the effect of conducting budget hearings and consider the political dynamics at the local government level, the following two research questions were examined:

Q3: How does participatory budgeting impact local politics?

Q4: How does citizen participation affect the design and implementation of the local government budgets?

This dissertation employed face-to-face interviews with local administrators in several local governments, experts affiliated with NGOs facilitating implementation of budget hearings, and active citizens. In addition, questions related to the effect of budget hearings on the budget and budget hearing sustainability were answered using local government survey results as well as secondary statistical and public finance data.

The results show the difference between challenges faced by urban and rural local governments. The interviews revealed that both rural and urban local governments dealt with budget document complexity, lack of discretionary resources, a low level of trust in

the government, and nonparticipation. In interviews with citizens, hindrances in participatory budgeting included late notifications about forthcoming budget hearings, the low quality of facilities, and the low quality of budget discussion moderation.

The issue of budget hearing sustainability appears to be connected with local government capacity. Although being externally (donor) driven, budget hearing was a sustainable practice when conducive environment was created.

The results of my interviews suggest budget hearings are conducted in Kyrgyzstan more frequently at the city level rather than village level. The sustainability of the budget hearings is linked to the financial capabilities of the local government and political will. The interviews demonstrate a variety of factors influence sustainability of budget hearing, including a frequent turnover of local leaders and ongoing local government reforms. Many interviews highlighted the important role that donor agencies play in ensuring the continuity of budget hearings at the village level, though this level of continuity might vary. As an example, some local governments, such as the Tor Kul local government in the Issyk Kul region, maintain the practice of budget hearings on an annual basis.

The low quality of citizen participation was highlighted as an important barrier in most of the interviews. The employee at the Lenin Ayil Okmot noted that in 2012 only 104 people attended the budget hearing. He noted that the low participation rate was related to the busy month of fieldwork that begins in early summer. He mentioned that the local government is considering moving budget hearings to the winter season, which could help to improve the participation rate.

Several of my interviewees also noted differences in the level of activity in various regions due to cultural reasons. One interviewee noted for example that residents of the Batken regions are more open and active. Another interviewee suggested that residents of the Uchkun local government and other local governments in Naryn region are more active. Interestingly, these two regions are the most distant and rural provinces in Kyrgyzstan and have a smaller population size.

In reference to participation of vulnerable groups in budget hearings, one of my interviewees pointed out that the engagement of women in the budget hearings was a significant step, given the fact that most of them are employed in state-funded industries such as schools and hospitals. According to the interviewee, engaging women in the budget hearings made the process more interesting.

With respect to the effect of budget hearings on the budgets of local governments, the analysis of local government protocols demonstrates that most of the residents demanded an increase in expenses for garbage collection or renovation of roads. In some southern areas, the residents were critical of the ongoing work of the government, while for other local governments, the level of criticism was lower.

In my recommendations, I noted that in order for budget hearings to be effective, implementation of performance-based budgeting is required as well as an introduction of citizens' committees that oversee incorporation of citizens' budget recommendations.

Practical implications

My own interview analysis revealed that early participatory training in the process led to successful budget hearings. For example, in local governments in the Issyk-Kul region, school-age children participated in student essay competitions related to the local government budget. An early exposure to participatory practices and other budgetary related issues can improve human capacity at the local government level. It can therefore serve as one of the remedies for addressing the problem of nonparticipation and disengagement of citizens in government decision making.

This research demonstrates that as in other countries, citizens in Kyrgyzstan participate in budget hearings when issues are of particular concern to the residents, and in recent years, residents have begun expressing interest in larger community-level issues. For example, many recommendations related to tax collection have originated from citizens. This increased involvement could be due to the weakness of local government in its ability to generate resources. Citizen participation in current budget hearings in Kyrgyzstan strengthens the local government's capacity to implement better tax collection policies.

With respect to organizing of budget hearings, it appears that future budget hearings need to be carried out at a neutral territory and in more spacious facilities. The current arrangements for budget hearings are not conducive for equal participation by all residents. Residents and local government representatives have to have facilities that enable sitting at a table and make budget hearings less formal. Some progress in this respect is evident in several local governments, but many still appear to conduct budget

hearings in a very official manner. Prior to the actual budget hearing, information related to the event needs to be released in a more thorough and systematic manner. Most participants receive the budget information only during the actual hearings. In many other countries, budget hearings imply a multistage process, but this does not seem to be the case in Kyrgyzstan.

Finally, cash-strapped local governments appear to react positively when awards or other financial recognition is bestowed for implementing particular policies—the continuity of budget hearings in rural local governments are often linked to ongoing awards. Many donor agencies use such recognition practices to encourage local administrations to maintain certain programs. Although, external actors cannot continuously support award programs, the central government can take a lead in promoting competitions and awards among local governments. This will not only guarantee the continuity and sustainability of budget hearings, but it will also further improve the quality of local participatory mechanisms.

Significance of findings

The findings of this dissertation attempts to enhance our understanding of challenges that are encountered when implementing a participatory budgeting process in transitional countries. Several contributions arise based on the results of this study. First, the research better informs us about policies facilitated by external assistance in countries such as Kyrgyzstan. Second, based on the interviews with residents, this research demonstrates the challenges and opportunities that residents perceive to be important in relation to the participatory process. In general, the perception of citizens is often

understudied in the current public administration and this research successfully addresses this gap. Third, participatory budgeting is taking different forms in various countries and this research will serve as a base for a potential future research on comparative analysis of participatory budgeting across different countries.

Methodologically, this study's contribution rests in examining perceptions about budget hearings using qualitative approaches and interactions with diverse categories and members of the population, including donors. Lack of empirical research is evident in the current participatory studies and this dissertation attempts to address this gap. Finally, the findings of this study can be used across the disciplines of public administration and political science.

Limitations

Several limitations to this study need to be noted. Given the nature of the main methods of research and sampling utilized, any generalization of this study is not possible. Most of my interviewees represented the northern and southern regions in Kyrgyzstan. This research does not widely examine local governments in other regions, especially those located in the eastern part of Kyrgyzstan. Therefore the findings of this research are not generally applicable to all local governments in Kyrgyzstan.

Given the nature of my research approach and time limitations, I also was not able to provide a longitudinal analysis. In particular, a longitudinal analysis could better address the question related to the influence of budget hearings on the budget. Future

research could address this gap by incorporating quantitative longitudinal data on the changes observed in the budget in municipalities that conduct budget hearings regularly.

The model that was developed to analyze the survey results is limited to variables that were available within cost and time limitations. It was noted earlier in the dissertation that variables such as the role of donors and the involvement of local governments in various award competitions were not incorporated in the quantitative part of this dissertation. Future research could examine in detail various elements of donor engagement in facilitating participatory budgeting in Kyrgyzstan.

Another limitation is that the probit regression in this model relied on a small sample size due to a low response rate to the survey from administration. Due resource constraint, the probit analysis relied to a small sample size. A future research should examine a larger sample size with the inclusion of diverse municipalities.

Finally, policy research on Kyrgyzstan requires a holistic evaluation of numerous variables that may impact it. Although this research attempted to take into account the key variables, several more were not incorporated. For example, factors such as regional cultural differences, diversity of sources of political power at the local level, types of local NGOs, tribal and ethnic affiliations, among others, needs to be incorporated.

Future Research

Although budget hearings are now being widely practiced in all local governments, the format of budget hearings in Kyrgyzstan is changing. For example,

several hearings on school budgets have been conducted recently at the city level. In the southern part of Kyrgyzstan, several budget hearings were combined with an overview and discussion of citizen evaluations of local government performance. At the republican level, the hearings of the budget are taking place annually as well. Future research could examine and conduct a comparative analysis of all types of budget hearings and their effectiveness in Kyrgyzstan.

Also, from the point of view of the methods used, future research could employ survey instruments to solicit information from a wider range of participants in the budget hearings, both before and after the hearings. This could be particularly beneficial for learning about the experience of budget hearings from a wider population.

Third, given that many interviewees noted the importance of political will at the local level for conducting budget hearings, future research could focus on studies of the personal characteristics and background of local leaders. Similar to Schachter (1997), a future study could expand and include in-depth examinations of personal characteristics and qualities of both members of the legislative and executive bodies.

Fourth, because the country is transitioning towards a parliamentary system, more analysis is required to understand how the form of government influences the practice of participatory democracy, including participatory budgeting. In the new system, the opposition party controls the budget committee, which has led to numerous open debates throughout the budget process.

Fifth, comparative studies could be conducted analyzing participatory processes in several transitional countries which share similarities with respect to the level of democratic governance. For example, a comparative study could be carried out on citizen engagement in budgeting in Kyrgyzstan, Georgia, and Ukraine.

Sixth, given the existing political and economic differences in the southern and northern regions of Kyrgyzstan, and given the parliamentary system of governance in the country, further analysis of the political affiliations of local heads and council members is required. Understanding factors such as party, regional, and political affiliations is necessary. It should be noted that the analysis of the interview responses by word similarity and coding similarity (see Figure 20 and 21 for more details), reveal some differences in the responses of local government employees in different regions. Understanding the political and regional affiliations of local administrators might lead to a better understanding of the differences in implementation of certain policies.

Figure 20: Analysis of coding similarity of the respondents

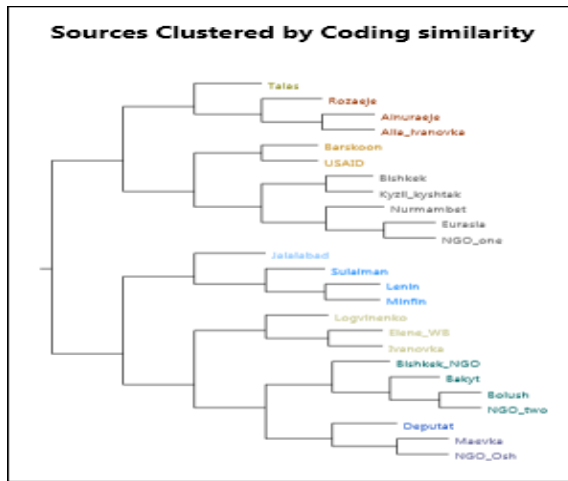
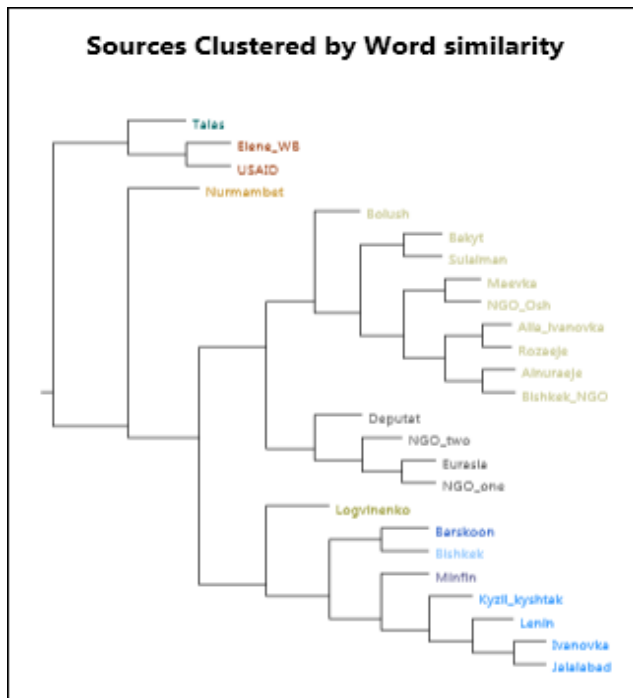


Figure 21: Analysis of wording similarity of the respondents



Sixth, this research utilized information received from interviews with local public administrators, experts affiliated with NGOs implementing budget hearings, and active citizens in the process. However, as in many other countries, there are many individuals who do not join the process. Due to resources and time constraints, this dissertation did not examine those who are disengaged. Nonparticipation or disengagement can be viewed as a political position. Therefore, future research should incorporate the opinions of the disenfranchised.

Perceived as a democracy game by some and as a tool to restore trust by others, the practice of budget hearings is nevertheless deepening its root in Kyrgyzstan. In many urban and rural areas, a one-time exposure to the practice of budget hearings appears to create a pattern for continuity. This study demonstrates that participatory process, such as budget hearings, is possible to develop and sustain in Kyrgyzstan, even if donors initiate the process. The study proves that local public administrators in Kyrgyzstan face similar challenges as in other countries. Training and building capacities of the local administrators, especially, legislative council members is the surest step towards solidifying and institutionalizing budget hearing and participatory democracy across rural areas in Kyrgyzstan.

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APPENDIX A

RUTGERS UNIVERSITY
Office of Research and Sponsored Programs
ASB III, 3 Rutgers Plaza, Cook Campus
New Brunswick, NJ 08901

May 2, 2012

P.I. Name: Kasymova
Protocol #: 12-707M

Jyldyz Kasymova
 School of Public Affairs and Administration
 111 Washington Street
 Newark Campus

Dear Jyldyz Kasymova:

✓
 (Initial / Amendment / Continuation / Continuation w/ Amendment)

Protocol Title: "Reforming Local Government in Developing Countries: Implementation of a Participatory Budgeting in Kyrgyzstan"

This is to advise you that the above-referenced study has been presented to the Institutional Review Board for the Protection of Human Subjects in Research, and the following action was taken subject to the conditions and explanations provided below:

Approval Date:	5/1/2012	Expiration Date:	4/30/2013
Expedited Category:	7	Approved # of Subject(s):	Open

This approval is based on the assumption that the materials you submitted to the Office of Research and Sponsored Programs (ORSP) contain a complete and accurate description of the ways in which human subjects are involved in your research. The following conditions apply:

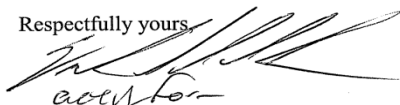
- **This Approval-**The research will be conducted according to the most recent version of the protocol that was submitted. **This approval is valid ONLY for the dates listed above;**
- **Reporting-**ORSP must be immediately informed of any injuries to subjects that occur and/or problems that arise, in the course of your research;
- **Modifications-**Any proposed changes MUST be submitted to the IRB as an amendment for review and approval prior to implementation;
- **Consent Form(s)-**Each person who signs a consent document will be given a copy of that document, if you are using such documents in your research. The Principal Investigator must retain all signed documents for at least three years after the conclusion of the research;
- **Continuing Review-**You should receive a courtesy e-mail renewal notice for a Request for Continuing Review before the expiration of this project's approval. However, it is your responsibility to ensure that an application for continuing review has been submitted to the IRB for review and approval prior to the expiration date to extend the approval period;

Additional Notes: Expedited Approval per 45 CFR 46.110

Failure to comply with these conditions will result in withdrawal of this approval.

Please note that the IRB has the authority to observe, or have a third party observe, the consent process or the research itself. The Federal-wide Assurance (FWA) number for the Rutgers University IRB is FWA00003913; this number may be requested on funding applications or by collaborators.

Respectfully yours,



Sheryl Goldberg
 Director of Office of Research and Sponsored Programs
 gibel@grants.rutgers.edu

cc: Suzanne Piotrowski

IRB Approval Request

[Type text]

Attachment 4

Informed Consent Form

You are invited to participate in the research study that is being conducted by Jyldyz Kaysmova, a doctoral student in the School of Public Affairs and Administration at Rutgers University, Newark as part of her preliminary research for her dissertation proposal. The purpose of this research is to understand population and local governments' perception on the existing participatory budgetary practices.

This research is confidential, at the same time participants may opt to have their identities disclosed by signing on the appropriate section below.

Confidential means that the research records will include some information about you, such as your name, position title, organizational affiliation, and your responses to the questions asked. This information will be stored in such a manner that some linkages between your identity and the response in the research exist. Please note that I will keep this information confidential by limiting individual access to the research data and keeping it in a secure and locked location. At the conclusion of the project all materials, electronic documents, and handwritten notes will be kept in a secure and locked cabinet. This researcher and the Institutional Review Board at Rutgers University are the only parties that will be allowed to the data, except as may be required by law. If a report of this study is published, or the results are presented at a professional conference, only group results will be stated. All study data will be kept for a period of three years.

There are no foreseeable risks to participate in this study.

You have been told that the benefits of taking part in this study include helping future participatory budgeting in Kyrgyzstan. Participation in this study is voluntary. You may choose not to participate and may withdraw at any time during the study procedures without any penalty to you. In addition, you may choose not to answer any questions with which you are not comfortable.

If you have any questions about your study procedures, you may contact Jyldyz Kasymova, School of Public Affairs and Administration, Rutgers University, 111 Washington street, Newark, NJ. 07102. Or at jkasymova@gmail.com

If you have any questions about your rights as a research subject, you may contact the IRB Administrator at Rutgers University:

Rutgers University, The State University of New Jersey
Institutional Review Board for the Protection of Human Subjects
Office of Research and Sponsored Programs
3 Rutgers Plaza New Brunswick, NJ 08901 1-848-932-0150
Email: humansubjects@orsp.rutgers.edu

(Initial)

EXPIRES

APR 30 2013

Approved by the
Rutgers IRB

APPROVED

Date: 5/1/12

IRB Approval Request

[Type text]

Attachment 4

You will be given a copy of the consent form for your records

Sign below if you AGREE to participate in this research study:

Participant (Print) _____

Participant Signature _____

Date _____

Principal Investigator Signature _____

Date _____

Your signature below grants the investigator named above permission to DISCLOSE your identity

Participant (Print) _____

Participant Signature _____

Date _____

You signature below indicates that you wish your identity to REMAIN CONFIDENTIAL.

Participant (Print) _____

Participant Signature _____

Date _____

AUDIOTAPE ADDENDUM TO CONSENT FORM

You have already agreed to participate in a research study entitled Citizen Participation in Budgeting in Kyrgyzstan conducted by Jyldyz Kasymova in conjunction with the design of her dissertation proposal. I am asking for your permission to allow me to audiotape you as part of this individual interview. You do not have to agree to be recorded in order to participate in this study. The recording (s) will be used solely for the purpose of analysis of this researcher. The recording (s) will include any such identities as voluntarily provided by the participant, including name, position title, organizational affiliation, and responses to the questions in the form of audio. The recording(s) will be maintained in locked storage by the principal investigator and will be maintained for three years.

Your signature on this portion of the form grants the investigator named above permission to record you as described above during your participation in the above referenced study. The investigator will not use the recording(s) for any other reason that those stated in the consent form without your written permission.

Participant (Print) _____

Participant Signature _____

Date _____

Principal Investigator Signature _____

Date _____

EXPIRES

APPROVED

Date: 5/1/12

APR 30 2013

Approved by the
Rutgers IRB

APPENDIX B

Individual interview questions

COMMUNITY LEADERS

Principal Investigator Jyldyz Kasymova

Date: _____

Participant's name _____

Job Title _____

Organizational Affiliation_ _____

Introduction

Thank you for agreeing to participate in this discussion on citizen participation in budget hearings in Kyrgyzstan. The purpose of this research is to try to understand the particularities of the participatory budgeting process, as it is being practiced in Kyrgyzstan.

Today, in this session, I will ask you a few questions concerning your experience living and working in your community and your experience in budget hearings in Kyrgyzstan. There is no particular order in which you need to speak. I invite you to respond to my questions openly and honestly as possible. Your answers will help me gain your perspective on some issues about participatory budgeting in Kyrgyzstan. As you will notice, this session is being audio-taped so I am not distracted during our conversation by taking notes. I will be able to reflect on your comments by reviewing the audio. Please note that all your responses will remain confidential. Your participation in this interview is absolutely voluntary and you can withdraw at anytime.

Before we begin, do you have any questions?
Let's begin now.

General questions

1. Can you please introduce yourself and tell me what do you do?
2. How long have you been working in this area?
3. How did you hear about budget hearings?

4. Why did you participate in budget hearings?

Probe: Did you ever participate in budget hearings before? (If so, how often do/did you participate in budget hearings?)

5. As you may know, there are two types of budget hearings that take place. Do you participate in budget hearings related to the execution of the last year budget or the hearings on the budget for the forthcoming year? Can you please explain why do/did you participate in these particular budget hearings?

6. What part of the budget does your local government normally put forward for a discussion?

Institutionalization of budget hearings

7. On average, how long does a budget hearing last?

8. What do you think about the way the moderator usually facilitates the budget hearings?

Probe: Could you please elaborate on how satisfied you are with the fairness and neutrality of facilitators of budget hearings?

9. As a community leader how engaged were you in organizing budget hearings?

10. In your view, does engagement in public hearings improve local community's trust toward the government?

11. Did a particular NGO or the representatives of local government invite you to participate in budget hearings?

12. How involved is the local government in engaging the population in budget hearings?

Sustainability of budget hearing

13. From your experience, do budget hearings take place every year?

14. What category of population (age/ income/occupation-wise) participate in budget hearings the most?

15. How would you describe budget hearings' role within the political and economic sphere of your community/region?

16. In your view, how do you benefit from the budget hearings?

17. Do you participate in budget hearings every year?

18. Will you participate in budget hearings next year?

Socio-political and economic culture in Kyrgyzstan

19. According to your observation, how conducive is the existing socio-economic and political environment for your participation in budget hearings?

20. According to your observation, how active are your fellow community members during the budget hearings?

21. What makes budget hearings successful/unsuccessful?
22. What factors would you say contributed to their success?

Patronage network system and government opaqueness

23. Could you please elaborate on how satisfied you are with the fairness and neutrality of the facilitator of the budget hearings?
24. Do you think the political elite are supportive of the idea of conducting budget hearings?
25. Who do you think benefit the most from conducting the budget hearings?

Effect of citizen participation on the design and implementation of local government budgets

26. Could you please elaborate how much information do you feel you are being provided, and how it prepares you to participate effectively?
27. Do you feel that your participation makes a change?
28. Have you ever raised any issues or presented any recommendations during the budget hearings?
29. Have you ever followed up to inquire if your inputs were reflected in the process of designing and implementing the local budget?
30. Do you think you were able to influence the decision-making process?

Probe: Do you think that your recommendations were incorporated in the final budget decision?

Citizen recommendations

31. What do you think is the best way to organize budget hearings?
32. What any other suggestions do you have?

Thank you very much for all of your help in my research. Is there anything else you want to say?

Thank you for your time and cooperation.

APPENDIX C

Individual interview questions DONOR AGENCIES AND EXPERTS

Principal Investigator Jyldyz Kasymova

Date: _____

Participant's name _____

Job Title _____

Organizational Affiliation _____

Introduction

Thank you for agreeing to participate in this discussion on citizen participation in budget hearings in Kyrgyzstan. The purpose of this research is to try to understand the particularities of the participatory budgeting process, as it is being practiced in Kyrgyzstan.

Today, in this session, I will ask you a few questions concerning your experience living and working in your community and your experience in budget hearings in Kyrgyzstan. There is no particular order in which you need to speak. I invite you to respond to my questions openly and honestly as possible. Your answers will help me gain your perspective on some issues about participatory budgeting in Kyrgyzstan. As you will notice, this session is being audiotaped so I am not distracted during our conversation by taking notes. I will be able to reflect on your comments by reviewing the audio. Please note that all your responses will remain confidential. Your participation in this interview is absolutely voluntary and you can withdraw at anytime.

Before we begin, do you have any questions?
Let's begin now.

Questions designed to the donors and experts:

Individual characteristics of the organization

1. Give an overview of your organization

2. How long have you been operating in Kyrgyzstan?
3. What role does your organization play in relation to citizen participation?
4. Could you please tell me since what year and in what ways does your organization get involved in local budget hearings?
5. Why does your organization considers budget hearings as a part of its activity in Kyrgyzstan?

Sustainability of budget hearings

6. In your opinion, how advanced is Kyrgyzstan in engaging citizens in budget hearing?
7. In your view, what is the main objective for conducting budget hearings in Kyrgyzstan?
8. In what manner do you assist local governments in organizing budget hearing?
9. Do you provide the same type of assistance to local governments every year?
10. How many local governments were able to continue pilot projects related to budget hearings?

Probe: What type of assistance do you provide to local governments in organizing budget hearings?

Probe: What strategies do you use in informing citizens about budget hearings?

Probe: Do you provide assistance in moderating budget hearings?

11. As you know there are two types of budget hearings that take place. Is your organization engaged in budget hearing related to the execution of last year budget or the budget hearing for the forthcoming year?
12. How much financial resources are required to help local governments to organize budget hearings?
13. What is the impact of the external assistance on the ability of local governments to conduct budget hearings?

Institutional barriers

14. How many local governments do you work with?
 15. How do you interact with local governments in engaging citizens?
- Probe:* Which type of local governments (rural/urban) are you particularly engaged with?
16. According to your experience, how active are local governments in promoting budget hearings on their own?
 17. How important is the capacity-building development element for budget hearings and what are the necessary ingredients for capacity building?
 18. In your view, how supportive is the local government of your initiatives to promote budget hearings?
 19. According to your observation, how prepared are the local governments in Kyrgyzstan in organizing budget hearings?

20. According to your observation, what are the main barriers that hinder implementation of budget hearings at the local level in Kyrgyzstan?
21. From your experience, what concerns do you have with respect to the future of budget hearings in Kyrgyzstan?

Addressing the patronage network system and government opaqueness

22. From the perspective of your organization, what are the main objectives in engaging citizens in budget hearings?

Effect of citizen participation on the design and implementation of the local government budgets

23. According to your experience, what is the level of effect of citizen participation in the budget related decision-making?

Recommendations

24. What do you think can be done to improve future procedures on budget hearings?
25. What are the recommendations to increase citizen participation in budget hearings?

Thank you very much for all of your help in my research. Is there anything else you want to say?

Thank you for your time and cooperation.

APPENDIX D

Individual interview questions

PUBLIC ADMINISTRATORS AND GOVERNMENT EMPLOYEES

Principal Investigator Jyldyz Kasymova

Date: _____

Participant's name _____

Job Title _____

Organizational Affiliation_ _____

Introduction

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Today, in this session, I will ask you a few questions concerning your experience living and working in your community and your experience in budget hearings in Kyrgyzstan. There is no particular order in which you need to speak. I invite you to respond to my questions openly and honestly as possible. Your answers will help me gain your perspective on some issues about participatory budgeting in Kyrgyzstan. As you will notice, this session is being audio-taped so I am not distracted during our conversation by taking notes. I will be able to reflect on your comments by reviewing the audio. Please note that all your responses will remain confidential. Your participation in this interview is absolutely voluntary and you can withdraw at anytime.

Before we begin, do you have any questions?
Let's begin now.

Questions designed to the public administrators:

Individual characteristics

1. Can you please tell me how long have you been working with this governmental institution?
2. Can you please tell me more about your local government?

3. Please tell me about citizen participation initiatives promoted by the local government that you work for?

Probe: Please tell me about the ways in which citizens can influence government decision-making at your local government?

4. Please tell me what types of participatory mechanisms are used by the local administration to engage citizens?

Institutional barriers

Now I would like to know more about budget hearing procedures.

5. Please tell me how your local administration engages citizens in budget hearings?
6. Since what year did you begin holding a budget hearing in this municipality and who initiated it?
7. Please tell me how do you inform the population on an upcoming budget hearing?
8. What percentage of the population participates in budget hearings?

Probe: Do you see a trend for increase in the number of people participating in budget hearings?

9. Who chairs budget hearings?
10. Does the entire budget is put under review during the budget hearing?
11. Please tell me how does the population take part in budget hearings?

Probe: What is the level of activity of the population during budget hearings? What category of population is the most active during budget hearings?

12. There are two types of budget hearings carried out in Kyrgyzstan. The first one is the budget hearing on the implementation of the budget of the previous year. The second category of hearings are arranged to discuss the budget of the incoming year. Among these two types of budget hearings which one is your government's priority?
13. In your opinion, what are the main institutional barriers for implementing budget hearings in your municipality?
14. Do you in any way assist citizens to understand budgetary and technical terms?
15. What type of strategy do you use to promote participation of a diverse group of citizens in budget hearings?

Probe: What makes budget hearings successful/unsuccessful? What factors would you say contributed to their success?

Sustainability

16. Is a budget hearing in your municipality a one-time event or is it conducted regularly?
17. What budget and/or human resources were allocated to citizen engagement in the budgeting process by your local administration?
18. Do you provide trainings related to budget hearings for your staff? If so, who pays for the trainings?

Socio-political and economic culture in Kyrgyzstan

19. What do you think about the culture of citizen participation in the decision-making process in your municipality?

Probe: In what manner are the budget hearing being carried out at your administrative unit?

20. In your view, how conducive is the current economic environment for citizen participation in the budgeting decision-making process in your municipality?

Addressing the patronage network system and government opaqueness

21. What are the main objectives for engaging citizens in budgeting?

22. Who do you think benefit the most from engaging citizens in budgets hearings?

Effect of citizen participation on the design and implementation of local government budgets

23. Please tell me how does the local government incorporate citizens' inputs raised during budget hearings?

24. In your opinion, did conducting budget hearings improve the work of the local government?

25. Probe: In what way did conducting budget hearings improve the operation of the local government?

Thank you very much for all of your help in my research. Is there anything else you want to say?

Thank you for your time and cooperation.

APPENDIX E

Survey Questionnaire

1	When did you hold the first budget hearing?					
2	Did you hold it last year?	Yes	No			
3	Did you hold it this year?	Yes	No			
	If not, why did not you hold budget hearings this year?					
4	Did an NGO help you in the first year to conduct the hearing?	Yes	No			
	If yes, did they help you this year?	Yes	No			
5	Is your local government subsidized?	Yes	No			
6	Will you have a budget hearing in 2013	Yes	No			
7	Is the head of the local government the same in the last 4 years?	Yes	No			
8	What is the population of the local government?					
9	How did budget hearings change the budget? (Increased/Decreased)					
10	Does it affect your work (Improved/Worsened?)					
11	How old is the head of the local government?					
12	What is the gender of the head of the local government					
13	What is the nationality of the head of the local government					
14	How long is he/she in this position					
15	On the scale of 1-5 how active is the population in your municipality (5 very active and 1 not very active).	1	2	3	4	5

APPENDIX F

Residents' recommendations and questions during the hearings in 2011 and 2012 in selected cities and villages

Bishkek-2012 (urban)	
<ul style="list-style-type: none"> • A representative of an NGO inquired about tax policies 	<ul style="list-style-type: none"> • A member of the local police inquired about the shortage of police officers
<ul style="list-style-type: none"> • A question was raised on new construction around the principal market 	<ul style="list-style-type: none"> • The head of the center for a child development inquired about school facilities
<ul style="list-style-type: none"> • A representative of an NGO inquired about the schedule of budget hearings. She also inquired about ecological sustainability of some of the city's policies 	<ul style="list-style-type: none"> • A principal took the floor to speak about teachers reputation
<ul style="list-style-type: none"> • A representative of "the Association of Rights and Interests of Children" inquired on how the city is handling the issue of missing children 	<ul style="list-style-type: none"> • A gentleman took the floor to inquire about buses and about distribution of contaminated (high radiation level) coal
Shaidan 2012 (rural)	
<ul style="list-style-type: none"> • A resident expressed his concern that the local government is focusing on renovating the central streets only 	<ul style="list-style-type: none"> • A resident suggested to address the lack of financial resources using donations which need to be initiated by the member of local government
<ul style="list-style-type: none"> • A woman spoke on the operation of local the library 	<ul style="list-style-type: none"> • A resident noted that complaints about lack of financial resources is not justified
<ul style="list-style-type: none"> • A woman took the floor and inquired about the operation of the local library and the cultural center 	<ul style="list-style-type: none"> • A resident suggested taxing the sales of local sand and gravel.
<ul style="list-style-type: none"> • A man took the floor to speak about unsatisfactory work of the local government 	<ul style="list-style-type: none"> • A resident expressed his concern that the local government violates the law because of its current land distribution policy
Masy 2012 (rural)	
<ul style="list-style-type: none"> • A gentleman raised questions on waste collection and the access to clean water. 	<ul style="list-style-type: none"> • A women raised her concerns on the quality of roads
Tup 2011 (rural)	
<ul style="list-style-type: none"> • The local market is in an unsanitary condition. The roads need to be fixed. Did you allocate any financial resources for these areas? 	<ul style="list-style-type: none"> • A resident requested to allocate a piece of land for arranging an animal market.

<ul style="list-style-type: none"> • A resident suggested to re-allocate the funding for a local kindergarten 	<ul style="list-style-type: none"> • A resident suggested arranging tax payments at the premise of the local government to avoid evasions
<ul style="list-style-type: none"> • The concern is expressed that the waste is not being collected although residents are being charged for the service fee 	<ul style="list-style-type: none"> • A resident complained about the lack of local expenses for garbage collection.
<ul style="list-style-type: none"> • Difficulties with the access to clean water 	<ul style="list-style-type: none"> • A resident suggested to increase funding for rebuilding the roads
<ul style="list-style-type: none"> • A resident suggested to increase funding for rebuilding of the local obstetric center 	
Uchkun-2011 (rural)	
<ul style="list-style-type: none"> • A resident inquired about the number of local government staff 	<ul style="list-style-type: none"> • A resident inquired about the reason for the international humanitarian aid to be transported from the district level to villages and whether the local government has resources to pay for transportation.
<ul style="list-style-type: none"> • Why does the local government have such a big number of employees? We cannot see the results of what you do. 	<ul style="list-style-type: none"> • A concern is raised about the poor road quality
<ul style="list-style-type: none"> • Residents raised questions about the salary level of local employees. 	<ul style="list-style-type: none"> • A resident suggested decreasing the number of employees of the local government.
<ul style="list-style-type: none"> • A question was raised about budget terms 	<ul style="list-style-type: none"> • A resident suggested starting to rent the local government property
<ul style="list-style-type: none"> • Why don't you allocate resources to the improvement of government lands? According to the legislature, the rent collected from leasing government lands could be used for investments for roads. Were any of these resources allocated for these types of investments? 	<ul style="list-style-type: none"> • A resident suggested creating a committee responsible for overseeing the collection of taxes from pastures.
<ul style="list-style-type: none"> • Can we change the draft budget even if the ministry of finance already presented the draft budget with the sealing 	<ul style="list-style-type: none"> • A resident suggested that the 2012 budget should include the expenses allocated for improving the government-owned land
<ul style="list-style-type: none"> • How does the local government use the collected taxes from the use of pastures? 	<ul style="list-style-type: none"> • A resident suggested collecting taxes from taxi services
<ul style="list-style-type: none"> • Does the local government receive fees for issue hunt permits? 	<ul style="list-style-type: none"> • A resident suggested increasing government investments for developing road infrastructure

<ul style="list-style-type: none"> How much revenue did the local government collect last year? 	<ul style="list-style-type: none"> A resident requested increasing government investments for improving the access to clean water
Teplokluchenka 2011 (rural)	
<ul style="list-style-type: none"> A resident requested an increase of young teachers' salary 	<ul style="list-style-type: none"> A resident suggested controlling the implementation of citizens' suggestions during the hearing and reporting once in four month on the progress
<ul style="list-style-type: none"> Will you increase the number of kindergartens? 	<ul style="list-style-type: none"> A resident asked about the lack of access to clean water
<ul style="list-style-type: none"> A resident requested to cover utility expenses of the school teachers? 	<ul style="list-style-type: none"> Irrigation system requires renovations. Please allocate resources for these purposes.
<ul style="list-style-type: none"> What is the amount of financial resources allocated for the construction of roads? 	<ul style="list-style-type: none"> The committee on pastures needs to report on the level of collected taxes
<ul style="list-style-type: none"> A resident suggested increasing allocations for local garbage collection. 	<ul style="list-style-type: none"> A resident suggested increasing budget revenues by renting the municipal property.
<ul style="list-style-type: none"> A resident suggested increasing allocations for renovation of local roads. 	
Osh 2011 (urban)	
<ul style="list-style-type: none"> What is the amount of revenues collected by the local government in 2007 and 2008? 	<ul style="list-style-type: none"> A resident raised a question on the implementation of the president's act on gender.
<ul style="list-style-type: none"> What is the amount of revenues collected from parking fees? 	<ul style="list-style-type: none"> A question related to housing for physically-challenged people
<ul style="list-style-type: none"> What amount of resources is allocated for the local police? 	<ul style="list-style-type: none"> A question related to tax polices of cafes/restaurants/bars, renovation of roads, census.
<ul style="list-style-type: none"> A question related to gender issue. 	
Nurmambet 2011 (rural)	
<ul style="list-style-type: none"> Please increase the travel expenses in teachers' budget 	<ul style="list-style-type: none"> How much investment is allocated for road infrastructure?
<ul style="list-style-type: none"> Please allocate more funding for electricity expenses for the local schools 	<ul style="list-style-type: none"> Question on resource allocations for the local communication division

CURRICULUM VITA

EDUCATION

1998-2003	B.A. Kyrgyz Russian Slavic University, Kyrgyzstan Major-Political Science
2003-2004	Exchange student, Stockholm University, Stockholm, Sweden, Major-Political Science
2003-2004	Diploma, Kyrgyz Russian Slavic University, Kyrgyzstan Major-International Relations
2007	Visiting Scholar, Columbia Law School
2008-2009	M.A. Rutgers, The State University of New Jersey, Newark, New Jersey, Economics
2009-2013	PhD program, Rutgers, The State University of New Jersey, Newark, New Jersey, Public Administration

WORKING EXPERIENCE

2007-2008	Political Affairs Officer, Department of Western European Countries and Canada, Ministry of Foreign Affairs, Bishkek, Kyrgyzstan
2004-2007	Diplomatic Attaché, Permanent Mission of Kyrgyzstan to the United Nation, New York, U.S.
2004	Diplomatic Attaché, Department of UN and Other Organizations, Ministry of Foreign Affairs, Bishkek, Kyrgyzstan
2003	Intern, U.S. Embassy in Kyrgyzstan, Bishkek, Kyrgyzstan
2002	Intern, International Relations Committee, Parliament of Kyrgyzstan, Bishkek, Kyrgyzstan.