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State of government accounting in Ghana and Benin: a "tentative" account

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Abstract

Purpose – The purpose of this paper is to examine the state of government accounting in Ghana and Benin using neo-patrimonial and organizational façade lenses.

Design/methodology/approach – The study used two country case studies that engaged with stakeholders including donors, civil society, politicians, and civil servants. Semi-structured interviews were used as the main data collection technique, which were complemented by document analysis.

Findings – The study finds that government accounting reforms are decoupled and used in both countries as a façade which is caused, to a varying degree, by indigenous neo-patrimonial governance traits of informal institutions, patronage, and clientelism. And despite the relatively superior Ghanaian system, in terms of its functioning, compared to the Beninese, government accounting plays a more symbolic role in the former than in the latter.

Originality/value – This is one of the very few theoretically informed empirical studies that examine the state of government accounting in the two major African settings – Anglophone and Francophone. The results inform policies more tailored to indigenous governance issues for better outcomes.

Keywords Corruption, Ghana, Decoupling, Benin, Government accounting, Neo-patrimonialism

Paper type Research paper

1. Introduction

Accounting plays an important role in government resources management, transparency, accountability, and ultimately development. It provides information for decision making, planning, and control directed at development goals (Hopper *et al.*, 2012). This is particularly crucial for Sub-Sahara African countries[1], especially Francophone Africa (site of the world's poorest countries, Jeune Afrique, 2012), given the development challenges they face including, but not limited to, poverty, health, inequality, education, infrastructure, and environmental issues (Hopper *et al.*, 2012). Hence, the interest of the current good governance-centered approach in government accounting (e.g. World Bank, 1997), seen as central to issues of, *inter alia*, poverty reduction, control of corruption, and improving transparency and accountability (Akakpo, 2009; Andrews, 2010).

However, most government accounting reforms in Africa are not implemented and operated as expected. Often, there are significant discrepancies between adopted reforms and enacted ones (Andrews, 2013; Iyoha and Oyerinde, 2010). Such discrepancies have been theorized as decoupling (Rautiainen and Järvenpää, 2012; Yapa, 2014). Yet, the issue of decoupling is under-researched in African settings, particularly in the government sector as evidenced by the limited studies on African Government accounting (e.g. Andrews, 2010, 2013; Iyoha and Oyerinde, 2010; Lassou and Hopper, 2016; Lassou *et al.*, 2017). Moreover, extant studies on decoupling provide little insight as to why and how the reforms decouple in deferring contexts (characteristic of African Anglophone and Francophone) with different government accounting arrangements and legacies. This study aims to fill this empirical gap. In doing so, it supplements neo-patrimonialism with the concept of organizational "façade" to provide "tentative" empirical insights into the progress of government accounting (and the lack of it) in an Anglophone, Ghana, and a Francophone, Benin. The remainder of the paper is

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structured as follows: Section 2 presents the research arguments and theoretical framework; Section 3 describes the research methods; Section 4 presents the research findings; and Section 5 draws conclusions.

2. Research arguments and theoretical framework

2.1 Research arguments

Government accounting is concerned with the provision of financial information for decision making and holding political officials and bureaucrats accountable. It involves controls over government resource mobilization and use, compliance with bureaucratic rules and regulations, and control of corruption (Hopper *et al.*, 2017). Government accounting reform in developing countries (DCs), especially in Africa, has disappointed, in particular with regard to implementation (Andrews, 2013; Hopper *et al.*, 2017). Most of the Africa is divided between Anglophone and Francophone regions, and although they follow different government accounting systems, they have achieved similar disappointing reform implementation outcomes albeit some differences (Lassou *et al.*, 2014). Francophone and Anglophone African countries have different colonial and associated public administration (and accounting) experiences and legacies (Leonard, 1987; Firmin-Sellers, 2000). Nevertheless, their accounting reforms pursue similar aims, such as improving transparency and accountability and governance building (Andrews, 2010).

Francophone Government accounting (e.g. Benin) follows the French model and is based on the principle of the separation of the *Ordonnateur* from the "public accountant." This model stipulates that the one who incurs liability or levy revenue on behalf of the government, i.e. the *Ordonnateur*, must be separate from the one who manipulates public funds, i.e. the public accountant (Lassou *et al.*, 2017). Public accountants are classified between *comptables principaux* (principal public accountants) and *comptables secondaires* (secondary public accountants). The former must take an oath and provide a deposit before taking office and submit his/her accounts directly to the supreme audit institution (i.e. Chamber of Accounts/Court of Accounts). Meanwhile, the latter are not subject to the requirement of an oath and deposit, and their accounts are submitted to the principal public accountants. Both are required to maintain various account registers including budgetary, financial, general, and non-current assets (Akakpo, 2009; Lassou *et al.*, 2014). The system is underpinned by an elaborated internal audit/control arrangement. At the first level of the arrangement is the *Contrôle Financier* that performs a priori control or pre-audit (Wynne and Lassou, 2015). Then, there are a number of internal control/audit institutions established within ministries (the *Inspections Générales du Ministère* – IGM) and at the national level located in the Ministry of Finance (the *Inspections Générales des Finances* – IGF) and at the Presidency (the *Inspections Générales d'Etat* – IGE). Each of these institutions performs various financial and non-financial audits (Akakpo, 2009). Additionally, there are other specialized control units for employment, education, health, and so forth. The Chamber of Accounts/Court of Accounts established as part of the judiciary is the supreme audit institution (Akakpo, 2009).

In contrast, Anglophone accounting (i.e. Ghana) is modeled on the British (Lienert and Sarraf, 2001) with a single public accountant (as opposed to two in Francophone system). There is no requirement for an oath or deposit from the public accountant. Also, in contrast to the Francophone system, there is only one main internal audit institution that deals with all types of internal audit assignments. For example, the Internal Audit Agency (IAA) is the main internal audit institution in Ghana that supports the public sector in delivering effective services and accountability across the government (Betley *et al.*, 2012). The IAA provides guidance and oversight for all internal audit performed by internal audit units within ministries, departments, and agencies. The supreme audit institution (e.g. Ghana Audit Service, which is the office of the Auditor-General) is an independent agency from the

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executive, the legislative, and the judiciary (as opposed to the Francophone's which is part of the judiciary) (Lassou *et al.*, 2014).

Given the elaborated structure of Francophone Government accounting (e.g. various layers of specialized internal audit institutions, dual public accountants, and judiciary power of the supreme audit institution, etc.), public financial management (PFM) scholars and practitioners suggest that "Francophone budget execution and government accounting systems have some potential advantages [over the Anglophone's]" (Hedger and de Renzio, 2010, p. 5). However, "evidence for whether Anglophone or Francophone countries in Africa exhibit stronger PFM systems is ambiguous" (Hedger and de Renzio, 2010, p. 5). In practice, both systems are weak despite decades of government accounting reforms (Andrews, 2013). Nevertheless, in actual operation, Francophone system lags behind the Anglophone's with lower scores in downstream accountability (Andrews, 2010; Hedger and de Renzio, 2010).

Akakpo (2009, 2015) examined financial governance and government accounting reforms in the public sector in Benin and Francophone West Africa. He reported that Benin and the region have adopted best practices and sophisticated accounting reforms (e.g. accounting laws, internal control/audit units) but have largely disregarded them in practice, resulting in increased corruption and poverty. He attributed this to the prevailing "all politics" approach to reform implementation. In Anglophone Africa, government accounting and PFM are similarly weak with limited progress (Lienert and Sarraf, 2001). However, this region does show greater effort in "symbolic" reform implementation (Harrison, 2005; Lassou *et al.*, 2014). A recent study by Iyoha and Oyerinde (2010) on accounting and accountability in the management of public expenditure in Nigeria found that the country is one of few with extensive public sector accounting and anti-corruption laws and institutions. The authors concluded, however, that because these are not enacted in practice, accounting and accountability in Nigeria are weak and thus the fight against corruption remains an elusive effort. Lassou *et al.* (2014) and Osei-Tutu *et al.* (2010) reported similar discrepancies between adopted accounting reforms in Ghana (e.g. the renewed 2000 Audit Service Act, 2003 Financial Administration Act, and 2003 Public Procurement Act) and actual public resource management and procurement practice. They attributed these discrepancies to political economy factors (see also de Renzio, 2006). Although these studies have shed some light on the occurrence of discrepancies between adopted reforms and enacted accounting, they do not empirically explain how this happened or why it happened. Furthermore, in spite of the differences between Anglophone and Francophone systems, existing studies fail to explain why the discrepancies occur in these differing contexts.

In accounting and organizational studies, such discrepancies between formal structure and actual organizational practice have been theorized as decoupling or loose coupling (Carruthers, 1995; Yapa, 2014). Decoupling denotes the establishment of formal procedures as "symbolic displays for external, legitimacy-seeking purposes […] [rather than for] operating-level practices and action in organizations" (Modell, 2009, pp. 281-282). From new institutionalist perspective (Adhikari and Mellemvik, 2011), decoupling may be desirable if the goal is to allow possible inconsistencies and anomalies of technical accounting to remain hidden behind the formal structure, thus giving the appearance that the formal structure is working as expected (Rodrigues and Craig, 2007). In other words, it allows an organization to maintain its institutionally prescribed appearances without having to compromise actual operations (Albu *et al.*, 2011; Carruthers, 1995). In doing so, organizations must be carefully managed in order to avoid making the discrepancies too obvious an important task given that "critical audiences are unlikely to bestow legitimacy on an organization which too obviously violates its own formal rules and procedures" (p. 319).

In the public sector, decoupling can be seen as instrumental (e.g. when attempting to meet/address conflicting demands/pressures from stakeholders) (Adhikari and Mellemvik, 2011; van Hengel *et al.*, 2014). It can also be change resisting (Macinati, 2010), and/or self-interest

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seeking (Modell, 2009) as a means to improve one's image or yield personal gain. For example, a new accounting technique (e.g. result-based budgeting, value-for-money auditing) may be adopted but has little or no effect on organizational operations (Adhikari and Mellemvik, 2011). The accounting technique represents an embodiment of rational procedure that makes the officials (whether politicians or bureaucrats) look good in the eyes of stakeholders (e.g. Carruthers, 1995). Thus, actual accounting and other organizational practices may remain largely unaffected by the new accounting technique. Decoupling can be very elaborated in DCs, as Hopper *et al.* (2017) explained: "[…] whilst basically sound accounting and accountability systems were often adopted and maintained, in actuality they played a ceremonial role to gain legitimacy from the populace and external funders, and played little part in ministerial and parliamentary scrutiny or decisions. Meaningful accountability often never occurred" (p. 128).

Scholars have examined the concept of decoupling in the public sector accounting realm (Modell, 2009; Rautiainen and Järvenpää, 2012). While informative, most of these studies have focused primarily on performance measurement and management within the context of developed countries (e.g. Johansson and Siverbo, 2009; Modell, 2003, 2009). Little research has been conducted in DCs (Adhikari and Mellemvik, 2011; Yapa, 2014) and very little to none in African settings. In a study of result control in Dutch municipalities, van Hengel *et al.* (2014) found a large decoupling between result orientation and performance measurement. They identified a number of factors contributing to the non-alignment of these practices such as incompatibility between the reporting structure and the organizational structure; politician forward looking bias; and political opportunism. Modell's (2003) study of performance measurement and management of Swedish universities found that decoupling between goals and performance indicators and between performance practices occurred as a result of power struggle between various actors. Macinati (2010) examined the implementation of NPM reforms (budgeting) in two public hospitals and found that the introduction of NPM-based budgeting was a ceremonial process due to it being externally imposed. More specifically, while one hospital managed to internalize the reforms over time with some degree of conformity, the other did not, thus "over time, the existing routines remained substantially stable and the reform was only a 'symbol' " (p. 438). The author attributed such decoupling to resistance to change rather than self-interest seeking. In a DC context, Yapa (2014) examined the public sector governance in Brunei post-crisis. The author concluded that the adoption of public governance reforms (including accounting) following donor pressure to foster transparency in the public sector, did not translate into practice, due to the "monarchy" like nature of the political system.

Whilst these studies have somewhat broadened our understanding of decoupling of government accounting reforms pursuing different purposes/objectives in different contexts (each context being treated as a homogenous whole); they, however, provide little insight as to why reforms pursuing similar purposes/objectives (e.g. improving accountability and governance through strengthening accounting procedures, regulations, and technologies) decouple. In particular, why the reforms decouple in deferring contexts, e.g. Francophone vs Anglophone, with different contextual legacies have not been addressed. Further, little is known as to how the reforms decouple in these contexts. This study is directed to redress this empirical gap by theoretically drawing on the concepts of organizational façade and neo-patrimonialism.

2.2 Organizational façade and neo-patrimonialism

2.2.1 Organizational façade. African Governments face substantial pressure from powerful stakeholders, not least civil society groups (e.g. FONAC[2] in Benin and STAR-Ghana[3] in Ghana) and donors to address issues of inequality, poverty, and poor governance (de Renzio, 2006; Harrison, 2005). For instance, donors exercise considerable leverage on most African Governments to undertake economic, accounting, political, and social reforms. These are

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particularly undertaken within good governance precepts of accountability, transparency, participation, rule of law, and control of corruption (Harrison, 2004, 2005; Hopper, 2017), often with aid conditionality (World Bank, 2003). Faced with such pressures, how do African Governments respond to or cope with the demands albeit their conflicting objectives with the prevailing "all-politic" (Akakpo, 2009) approach to governance? A tentative answer lies in the way they appear to satisfy those demands. They tend to develop what scholars conceptualize as organizational "façade" (Abrahamson and Baumard, 2008) whereby they appear to have taken on board the demands placed on them, yet very limited change takes place within existing practices (Harrison, 2005; Lassou and Hopper, 2016).

According to Abrahamson and Baumard (2008, p. 437), an organizational façade is "a symbolic front erected by organizational participants designed to reassure their organizational stakeholders of the legitimacy of the organization and its management." Thus, at its inception, "an organizational façade was theorized to serve one objective: to create organizational legitimacy in the eyes of stakeholders" (Cho *et al.*, 2015, p. 82), which is consistent with legitimacy theory. More recently, the concept has been theorized as having evolved from a unitary façade to three facets, namely, a rational façade, a progressive façade, and a reputation façade (Abrahamson and Baumard, 2008; Cho *et al.*, 2015). Of these three facets, the progressive façade is perhaps most relevant to our analysis of government accounting. According to Abrahamson and Baumard (2008), the progressive façade "not only fit[s] the norms of rationality, but they must also mirror norms of progress" (p. 445). Applied to government accounting, this means developing state-of-the-art accounting system consistent with "best practices" (connoting modernity or progress) often imported from developed countries, at the behest of donor requirements (Hopper *et al.*, 2017). Most African countries have adopted these irrespective of their colonial/historical legacies with examples including modern computerized accounting systems, performance audit and risk-based audit, medium-term expenditure framework (MTEF), integrated financial management information system (IFMIS) to embrace improved accountability, and good governance. Despite adoption, the degree of operational functionality varies largely between adopting countries, including between Anglophone and Francophone ones (Andrews, 2010; Lassou and Hopper, 2016). Moreover, in either system, the practical implementation of adopted reforms tends to diverge from the reforms' initial objectives. Thus, over time, practice might become decoupled from expectations (Andrews, 2013), and enacted accounting may serve as a veneer of accountability for external legitimacy (Harrison, 2005).

2.2.2 Neo-patrimonialism. However, this may not occur or has not occurred by accident. Frustrated development and public financial management (PFM) initiatives have been attributed to particular African governance traits theorized as "neo-patrimonialism" (Cammack, 2007; Médard, 1983). Conceptually, most African state governance presents two features: a visible facet and an underground or covert body (Verschave, 2004). The visible facet represents rational-legal bureaucracy that underpins the formal constitutionally mandated institutions such as the legislature, judiciary, presidency, elections, political parties, civil service, and civil society organizations. Such institutions prescribe the normative rules and laws that support access to and exercise of power. The underground body represents the "informal" institutions that operate outside the formal legally binding settings (Cammack, 2007; Sandbrook and Oelbaum, 1997). In practice, the visible facet is circumvented by the underground or informal setting, which renders formal systems of accountability redundant (Hopper, 2017). Decision making about resource allocation and management, civil service appointment, and responsibility lies essentially in the informal institutions (Cammack, 2007; Sandbrook and Oelbaum, 1997).

Fundamentally, neo-patrimonial governance is characterized by a radical disjuncture between the " 'formal' face of power – an 'air-conditioned room' or a 'shop window' […] – and

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a more substantive but partially covert informal political logic – a 'veranda' or a 'smoke-filled room' – in which political and economic largesse is distributed to clients […] [Within such a setting], institutional change is not what it appears to be: new procedures, agencies, projects and initiatives are likely to be façades for an ongoing and innovative set of strategies of clientelist manoeuvring" (Harrison, 2005, p. 252). It shapes political, bureaucrats', and (often) citizen's behavior and expectations. Furthermore, this from of governance induces authorities and powers based on loyalty, ethnic, and regional ties; and makes the selection of public officials or civil servants on the basis of personal rather than meritocracy or institutional loyalty (Sandbrook and Oelbaum, 1997).

Neo-patrimonialism can impede accounting initiatives for development (Akakpo, 2009). Well-established clientelist and patronage networks often mean that resources are allocated and distributed, often illicitly, according to regional, tribal, and party ties in order to maintain political support (Akakpo, 2009). Weak government accounting and auditing facilitates this and makes financial planning difficult. Governments and public agencies have difficulty formulating strategies due to the absence, lateness, or poor quality of accounting information (Andrews, 2010). Acquiescence and active involvement of political leaders in resource appropriation or the non-payment of taxes by their cronies reduce the available and potential resources for investment in public goods (health, education, infrastructure, etc.) (Hopper *et al.*, 2017). The distribution of state jobs by political patrons to relatives and followers and the tacit acceptance of bureaucratic corruption that fosters incompetence, mediocracy, indiscipline, and unpredictability in the civil service are substantial obstacles to capacity and institution building necessary to create an accountable bureaucracy (Sandbrook and Oelbaum, 1997; Cammack, 2007).

Hence, reform initiatives (e.g. accounting) which aim to introduce formal monitoring systems in public administrations to improve transparency and accountability are likely to face tough resistance. If forcefully introduced (e.g. by donors), the reform will eventually be ignored in practice or circumvented by the "big men" (Harrison, 2005). Weak accounting in Africa is "no accident" (Cammack, 2007). Civil servants can be an accomplice in order to take advantage of the system, to protect their job security and/or gain promotion (Lassou and Hopper, 2016). This study seeks to investigate these issues.

3. Research methods

The research examines the state of government accounting in Francophone, Benin, and Anglophone, Ghana. Most accounting systems in Africa are divided into Anglo-Saxon and Francophone systems owing to historical and colonial heritage. As noted by a World Bank official: "there is a third system which is the Lusophone system. This system is close to the French one and it is rather the Francophone people who advise on it." This confirms the divide between Anglophone and Francophone systems as the Lusophone system is more closely linked to the Francophone's. A case study approach was selected as an appropriate method to understand accounting in local contexts (see Ryan *et al.*, 2002).

Data were collected as part of the researcher's PhD project comparing government accounting and governance in Africa. Field visits were conducted in Benin and Ghana in February and August 2011 and August-September 2012, and a follow-up in August 2015. In total, 17 interviews were carried out in Ghana and fifteen in Benin. Access to research participants in the latter proved more challenging than in the former. Research participants in Ghana include: officials from the Controller and Accountant-General Department (CAGD) (4); the IAA (1); the Audit Service (3); the World Bank (2); and from local governance advocate and anti-corruption NGOs (4). Also, a local consultant, a former MP, and a government official were interviewed. In Benin, research participants include: officials from the Treasury and Accounting Department (TAD) (3), internal audit/control institutions

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(General State Inspectorate (IGE), General Inspectorate of Ministry) (2); the Chamber of Accounts (3); the World Bank (1); and governance advocate and anti-corruption NGOs (4, one of which was a former government official). In addition, a local consultant and a former MP were interviewed. Open-ended questions were used to allow respondents to answer freely. Attempts were made to increase the validity and reliability of findings by seeking corroborative responses from different profiles of respondents (Lassou and Hopper, 2016). Interviews lasted between about 25 minutes and 1.5 hours. Some interviews were recorded but many participants objected to them being recorded. In either cases, notes were taken throughout.

Documents were collected to complement, corroborate, or augment evidence from interviews as suggested by Matthews and Ross (2010). These included government financial and audit reports and legislative and policy documents relating to the accounting systems. However, access to documentary evidence in Benin was not possible (except for some legislative and policy documents) as officials denied all requests made – this is characteristic of Francophone Africa (e.g. Akakpo, 2009; Verschave and Beccaria, 2001). The findings were complemented by observation of contextual factors during fieldwork considering most interviews took place in the workplace. For example, the researcher witnessed instances where accountants could not work for lack of basic resources. In one instance, an accountant lacked accounting register and his office computer was not working, despite a request being introduced to address these more than three months prior to meeting with the researcher.

A coding strategy was used to analyze the data collected. The data were coded using factors discussed in the previous section, particularly: decoupling; organizational façade (as to rationality and progress underpinning the adoption of government accounting); and informal setting, patronage and clientelism characteristic of neo-patrimonialism. After repeated reading of the interview data and reflection, relevant and meaningful parts of each interview were highlighted and assigned a code developed either as discussed above or emergent from the data. The exercise was done manually using Microsoft Word and aided by its numbering lines and "Comment" function. The codes were then grouped per factor without any hierarchical ordering. Relevant parts of each document (legislative documents and accounting reports) were similarly analyzed.

4. Government accounting in Ghana and Benin

4.1 Intended reforms and their decoupling

4.1.1 Government accounting and intended reforms. Both Ghana and Benin have undertaken reforms, especially since the second half of the 1990s, to strengthen financial reporting and control within public financial management. Rational for such reforms lies with the need for governance building, poverty reduction, and the attainment of development (Akakpo, 2009; World Bank, 2003). Of recent, emphasis has been placed on modern PFM and accounting best practices (international, in particular), spanning revenue and expenditure management, monitoring and reporting, and accountability under donor prescriptions within good governance precepts (Hopper *et al.*, 2017; Hove and Wynne, 2010; Schiavo-Campo, 2009).

In Ghana, government accounting embraces the CAGD, the IAA, the Audit Service (supreme audit institution), and underpinning legislative acts. The former is in charge of the overall government treasury and government accounts, especially the Consolidated Fund's annual balance sheet, statements of cash flows and revenue and expenditure, and notes to the accounts applying modified cash-based International Public Sector Accounting Standards (IPSAS). The Audit Service oversees government accounts to improve the quality of financial information and accountability. This oversight role is further supported by Parliament's Public Accounts Committee (PAC). According to article 187-6 of the Constitution "parliament shall debate the report of the Auditor-General and appoint where

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necessary, in the public interest, a committee to deal with any matters arising from it." The IAA oversees internal audit performed by internal audit units.

Benin's government accounting embraces the TAD, the Chamber of Accounts (supreme audit institution), and underpinning legal and regulatory framework. In contrast to Ghana, Benin has a wide range of specialized internal control/audit institutions as discussed previously. Furthermore, Benin, as a member of UEMOA[4], follows the regional regulatory directives (i.e. UEMOA directives) as the overarching government accounting framework. The TAD is in charge of the treasury and government accounts; and legally, should produce annual accounts including the *Compte de Gestion*[5], the *Compte Général de l'Administration Centrale*[6], and the *Projet de Loi de Règlement*[7] for dispatch to the Chamber of Accounts for examination. A local consultant explained the strength and rational of the system:

> Our accounting architecture is strong. If you look at the framework […], there are different layers [of controls] which in principle reinforce officials' accountability, especially those who manipulate public money […] Then you have the Chamber of Accounts with constitutional power over public accountants [deployed by TAD] to ensure that public resources are properly spent […] On top of that, you have the UEMOA who ensures that accounting regulations are up-to-date.

Reforms undertaken in Ghana embrace different areas of the system. All revenues, loans, grants, and legally approved expenditures must go through the Consolidated Fund. A clear statement of powers and duties of key players, including the Ministry of Finance, the CAGD, chief directors of Ministries, Department and Agencies, and the Auditor-General was established. Then it is the role of Parliament to exercise appropriate oversight, primarily through the PAC. To further transparency and accountability, well-documented roles and responsibilities for all stakeholders were clearly outlined (World Bank, 2006). Ghana had adopted cash-based IPSAS[8] by 2007 and full IPSAS by 2014 to "facilitate more effective and transparent preparation of the national budget and the public accounts leading to an efficient management of the assets and liabilities of government, better decision making, and generate cost awareness and efficiency among other things" (Minister of Finance)[9]. A World Bank official highlighted the rational for these reforms:

> The [Ghanaian] accounting is designed exactly to ensure that there is regular and timely provision of information to help decision-making; […] and that the resources are properly accounted for: that means that disbursements follow established procedures as to required checks and approvals; and meaningful audits are performed […].

Relatedly, a number of legislative acts have been adopted. These include: 2000 the Audit Service Act to strengthen the status of the Audit Service; the 2003 Financial Administration Act to enforce the requirement of regular accounts and measures to control corruption; the 2003 Internal Audit Act to improve internal control, transparency, and accountability; the 2003 Public Procurement Act to regulate public procurement across the government sector; and the recent 2016 Public Financial Management Act to ensure fiscal discipline and the effective and efficient use of public resources. This legal arsenal is modeled on international standards or best practices and is reflected in the following:

> I would say it [the legal framework] is not different [from] what you expect internationally because they have the documents – public financial regulation through [to] the Financial Administration Act. On that there is a clear authority and direction for stakeholders to play their role (NGO official).

> Legally, laws back all of them [i.e.. accounting institutions] […], so that's not a problem" (Local consultant).

> The Auditor General as you know in Ghana has security of tenure so the position is extremely independent because the occupant has the same term of office as the Justice or the Court of Appeal. So you can't just remove the person in that office […] (NGO official).

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With an ambitious multi-faceted Public Financial Management Reform Program launched in 1996, Ghana aimed to comprehensively reform the budget and expenditure management processes. This reform emphasized two major components: the design and implementation of an MTEF and an IFMIS (Diamond and Khemani, 2005). The MTEF was designed and implemented in the late 1990s/early 2000s and despite its failure (Hove and Wynne, 2010) was renewed and modernized. The aim was to address good governance issues and poverty reduction:

> […] we aim to build good governance and our objective is to reduce poverty […] [and] supporting the weaker […] and financial management, MTEF, is a critical tool that any government can have to ensure […] planning, and service delivery efficiency and effectiveness (World Bank official).

An IFMIS which began in the late 1990s was later scrapped in the second half of the 2000s (Hove and Wynne, 2010). But in 2009, a renewed IFMIS was launched and its impetus is highlighted in the following:

> […] the name shows it's an information system but it's not just that […] [it] supports improvements and reforms in PFM […] from the budget preparation stage all the way to accounting, financial reporting and some basic supports in the audit […] (World Bank official).

Similarly, following donor pressure, Benin adopted a number of reforms starting from the second half of the 1990s. The aims of such reforms were to embrace the followings: accountability and effective use of public resources, making budgeting more reliable and transparent, and instituting performance audits by the Chamber of Accounts (Ministère des Finances, 2000). UEMOA, supported by donors, issued five directives to these ends (Akakpo, 2009). Four directives concerned government accounting, namely, government financial accounting and reporting (Directive No. 06-97); budgetary nomenclature/classification (Directive No. 04-98), charts of accounts (Directive No. 05-98), and PFM transparency (Directive No. 02-2000). Despite limited compliance, the directives were renewed in 2009. The World Bank was a key actor in this renewal: "The World Bank participated in the elaboration of the directives but traditionally it is the IMF which is leader in legislation and regulatory reform […] [and] the implementation of the directives" (World Bank official).

In 2004, the law No. 2004-07 was passed and enacted on October 23, 2007 to strengthen the status of the Chamber of Accounts and its oversight role including in control of corruption (Akakpo, 2009). In 2006, the new elected president, under donor and civil society organizations' pressure, undertook a comprehensive reform of internal audit/control institutions to effectively fight corruption (decree No. 2006-627). In particular, this reform saw the resurgence of a powerful control institution – the General State Inspectorate (IGE). The role of the IGE was to work very closely with the Presidency to assist in monitoring the generation and use of public resources. This is reflected in the following comment by a senior official from the institution: "We [IGE] are a public control institution. We are a Service of the Presidency, [and] we have the ability to go anywhere. The President gives us power to go anywhere, even at the Presidency."

This legal and institutional framework is seen as relatively strong for a functional government accounting. For example, a government auditor noted that: "In terms of framework, the legal framework exists and the necessary institutions also exist in internal control in order to control the procedures, and […] [an] external control concerning the whole government [also exists]."

Similarly to Ghana's experience, Benin introduced a computerized accounting system in the late 1990s which was subsequently replaced between 2002 and 2004 in order to produce government accounts to support financial accountability and transparency (Lassou, 2014). An IFMIS, called SIGFIP, was later introduced as well as a rolling three-year MTEF to

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further good governance (e.g. Jennes and Groot, 2003). The MTEF process is designed to support planning:

> The Ministry of Finance in collaboration with the Ministry of Budget come up with a three-year resource forecast which makes the MTEF […] and the spending ministries also come up with their spending forecast based on their needs […] which are also integrated in the MTEF, that is the planning […] (Budget official).

In both countries, government accounting follows similar structure. Namely, each of them incorporates the followings: a financial accounting and reporting institution, internal audit/control institutions, a supreme audit institution, and parliamentary oversight. Nonetheless, there are significant differences between the two countries with regard to internal audit and supreme audit institution arrangements. Furthermore, both countries have introduced similar reforms that incorporate: improved accounting procedures and processes, updated legislative and regulatory frameworks to uphold and strengthen the status/authority of accounting institutions, adopted modern accounting techniques/approaches (e.g. performance audits), and implemented expenditure frameworks and integrated accounting information systems (MTEF and IFMIS).

4.1.2 Decoupling of reforms and "façade" accounting. There are, however, significant discrepancies between formally adopted accounting reforms and actual organizational practices, referred to as decoupling (Yapa, 2014). While the reforms had been introduced to improve accountability and transparency, reduce corruption, and build governance, their actual implementation appeared to follow a more "formalistic" (Hopper, 2017) enterprise than real desire for change or improvement (Rodrigues and Craig, 2007). Thus, these accounting reforms represent a "façade" system (Cammack, 2007; Harrison, 2005) wherein the actual accountability and resource management issues that the reforms aimed to address remained largely unaffected (Akakpo, 2009). A former government official from Ghana illustrates this:

> […] when you see the chaotic way our recourses, public funds are still managed […] you understand that there is no desire to improve the system and accounting of it […] Still we've implemented more than two decades of reforms, public finance [management] and accounting reforms.

How such decoupling occurred in both countries was similar, albeit to a varying degree. The façade lies essentially with reform adoption. While there may be adoption on the surface, behind the façade the requirements of those reforms are not implemented, or are largely disregarded for preferred practices (Bierschenk *et al.*, 2003; Harrison, 2005).

In Ghana, the requirement by the Financial Administration Act 654 (and the initial adoption of IPSAS) to prepare government accounts on a harmonized basis appeared to be more of a symbolic formal structure, as the country: "[…] has suffered from maintaining its financial management arrangement on the basis of a non-harmonised chart of accounts. Different MDAs [Ministries, Department and Agencies] use their own charts of accounts" (World Bank official). Similarly, the provision in the Act to have a Financial Administration Tribunal to enforce recommendations from auditors' findings in order to reduce mismanagement and misconducts (corruption) followed a similar fate as the requirement did not materialize: "[…] Sadly […] the tribunal was not established […] people want the status quo [to prevail]" (World Bank official). In addition, the requirement by the Audit Service Act 584 to establish Audit Report Implementation Committees (ARICs) within government institutions has turned to be only a formality as well: "They [ARICs] are not functioning well. In the management they are not meeting. ARICs have to be operational and functional. Some of them are right put in place but they are not meeting" (Government auditor).

المنارة للاستشارات

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Relatedly, results indicate that the independence (institutional and financial) granted to the Audit Service (by the Constitution and the Audit Service Act) is not adequately followed in practice. This is illustrated in the followings:

> […] the major challenge we even have is with regard first to the independence of the Audit Service. How independent are we, and how do people recognise us, and do people [i.e. politicians] leave us – they don't interfere? All these must come into play (Official at the Audit Service).

> Very often [in] Ghana Audit Service we don't get the required budget that would help us to do our job. We often fall on the donors to also impress on government to help us in these terms. So they [donors] are aware of the challenges that we face on a continual basis regarding financial support. For instance, […] this year [2010-11] our budget is cut by 52%! So it's like we are not getting the funding we need to perform our work (Official at the Audit Service).

> […] the Auditor-General's role remains politicized […]. Specifically, the Auditor-General's formal reporting line is to the President and not to Parliament. Moreover, the legislative framework for appointing and removing the Auditor-General, and for establishing his or her tenure, is not clear and has become a political issue. The existing law gives the President the power to remove the Auditor-General at-will and to appoint anyone for any length of time without Parliamentary consent (World Bank, 2010, p. 8).

In addition to decoupling found with the Audit Service, the functioning of the PAC, with respect to its public hearing on the public accounts is perceived as a ceremonial exercise; a conclusion supported by a former member:

> In practice, if I have to talk [about] when I was there from the Public Accounts Hearing in the Parliament, I find it not to be [strong] enough in terms of addressing system wide failure, wide as in careless in service, mismanagement or misappropriations or maladministration and so forth – I don't think it is addressing that.

Similarly, in Benin, control introduced at the TAD to improve efficiency and facilitate the production of reliable government accounts (see No. 2006-627) appeared to be a mere front face, as the division established to that effect was reported to be non-operational:

> The control division of the TAD do[es] not even have a control manual. They don't know the areas that should be controlled in the system […] so they are not really operating. You'll see them but they are not doing any work really (Local consultant).

Additionally, the quality of many appointed accounting staff in terms qualification and experience was reported to be low (see Lassou *et al.*, 2017) and supported by participants: "Many of them don't know anything about accounting […]" (Local consultant); "[…] you ask yourself whether they have ever taken an accounting course') Official at the Chamber of Accounts). Some responses went as far as to report outcomes affiliated with poorly qualified or experienced staff. For example, a World Bank official noted that: as a result, "[…] government accounts are badly produced". Moreover, despites the renewal of the regional directives (i.e. UEMOA directives) to improve government accounting in member countries, compliance in Benin was limited. For example, in contrast to Ghana, there is no access to government accounts (as experienced during the study) despite the requirement of the directive on PFM transparency. As a result, many of the directives are yet to be translated into national law. This is reflected in the following:

> […] compliance with UEMOA directives is a major concern, there is no political will to see this happening soon, everything is in the talk, and no action behind […] (Former President of the Chamber of Accounts).

With respect to government audit, only "budgetary control" to establish the extent of conformity between the executed budget and the forecast budget has been performed by the

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Chamber of Accounts. The Chamber is deprived of resources (financial, material, and human) to work, and as a result, it carries out less than ten percent of its mandate (Akakpo, 2009). The actual audit of the accounts, known as judiciary control, has not been performed in Benin for over 50 years. Yet, "[…] it is this [control] that can dissuade people [from misconduct] and ensure [public] accountants' accountability" (Government official). This is in sharp contrast to Ghana where audit on government accounts is regularly conducted. Furthermore, the Parliament via its Finance Committee does not, in practice, perform its oversight role with respect to government accounting: "We don't do anything regarding that area [i.e. upholding government accounting] […] We don't even have capability […] to do it" (Former Chairman of the Finance Committee); and the vote of the *Loi de Règlement*[10] by the Parliament is seen as a "bare formality with no real meaning attached to it" (Government official).

Despite the similarities between the two countries in terms of reform adoption across the various levels of the accounting systems, there are major differences. For example, in Ghana, the CAGD regularly produces the accounts and the Audit Service audits them. These accounts are made publicly available, often via their respective websites. Despite being made available, their quality is often questioned within the auditor's reports (e.g. Audit Service, 2014). In addition, the PAC of the Parliament holds regular public hearings on the findings of the Auditor-General. These hearings are open to the media and civil society organizations, despite the delays regarding the accounts reviewed (Betley *et al.*, 2012). This was not and is still not the case in Benin (Akakpo, 2009; Lassou *et al.*, 2014), where a high level of secrecy is maintained over public financial and administrative matters, which is typical of Francophone Africa (Verschave and Beccaria, 2001). Thus, citizens are generally denied access to accounting/financial information regarding public administration (Adoun and Awoudo, 2008; Akakpo, 2009). The requirement by the regional oversight body, UEMOA, to convert Benin's Chamber of Accounts into a Court of Accounts with greater independence and power has not been followed for more than a decade (Akakpo, 2009, 2015). Nevertheless, despite Ghana's advanced accounting system relative to that of Benin, improvements in corruption in the country are limited (e.g. recent Youth Employment scandal (www.ghanaweb.com/GhanaHomePage/NewsArchive/GYEEDA-features-again-in-stinking-Auditor-General-s-report-422454) and Woyome Saga (http://thechronicle.com.gh/mills-stands-accused-in-%C2%A2580bn-woyome-saga/) where the equivalent of millions of US dollars have been misappropriated through public procurement).

4.2 Neo-patrimonial logic

An understanding of why the reforms decouple points to the particular prevailing governance traits in the study countries. Governance in Benin and Ghana is described as neo-patrimonial, characterized by an informal feature and established patronage and clientelist networks (Bierschenk *et al.*, 2003; Sandbrook and Oelbaum, 1997). Such governance traits pose a challenge to the success of reforms aimed at redressing shortcomings in control over public resource management (Hopper *et al.*, 2017).

4.2.1 The informal feature. This study found that in both countries, decisions about the implementation of adopted systems or the application of established procedures and checks are often taken in the informal settings that guide behaviors and expectations (Harrison, 2005). As Sandbrook and Oelbaum (1997) asserted about indigenous governance: "it is […] the informal institutions that shape political behavior and expectations, even though they are publicly unacknowledged or even condemned" (p. 604). This is further diffused across the bureaucracy (Cammack, 2007; Harrison, 2005). The nature and the significance of the informal settings in reform decoupling in the context studied here is underlined by Kelsall (2011). He asserts that those people who speak the language of good governance (and adopting the related reforms along the way), those who can talk the talk even if they do

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not walk the walk (e.g. disregarding implementation) are like a shop-window – what is put on public display, i.e. the formal system. "But of course, the real decisions are made behind the shop-window, in the 'smoke- filled rooms,'" which denotes the informal setting (p. 597).

In Ghana, problems with the operational functionality of IFMIS are, to some extent, attributed to the prevailing informal setting as reflected in the followings:

> You won't know for sure what is actually happening in the political machinery […] regarding the [IFMIS] reform […] (NGO official).

> The problems with GIFMIS [Ghana-IFMIS] are not just about design problems, people want chaos to thrive […] so the formal system doesn't work. They undermine it but you don't know how […] When you meet them, [formally] everyone wants the reform but behind door they decide otherwise (World Bank official).

> You have the system [in place] […] but the way it develops and is used is always different because […] so much happens outside [the formal system] […] (NGO official).

For example:

> You receive orders to do things that contravene how you should do these things: […] pay for things that you shouldn't [pay for] or [incur] expenditures that you shouldn't and you have to [follow] […] The boss also gets it [i.e. order] from above […] (Government official).

Overall, this informal setting and its ramifications foster uncertainty over reform outcomes at best (Sandbrook and Oelbaum, 1997) and induces the failure of such reforms at worst (Lassou and Hopper, 2016).

Similarly, in Benin, the informal setting is present but it is exacerbated by the prevailing high level of secrecy (Akakpo, 2009):

> The accounting system is perfectible but even the little that we have in place is not followed […] the accounts are not produced following prescribed requirements […] disbursements [made] without following the required procedures […] It's very informal. In most cases these decisions are made informally. Not all decisions are so but most [are] […] [For e.g.] just look at the chain of public procurement and see […] decisions to award government contracts to Paul or Jacques are taken even before the bidding process starts [formally] (Local consultant).

> The orders come without details and functionaries cannot dare to say "I can't, it doesn't meet what the procedures require" […] You can say it but be prepared to be put in "garage" [i.e. at a position without any real responsibility] […] (Government official).

In other cases:

> You will be given audit assignments [formally], but at the same time you realise that you cannot do anything […] because informally the organization you are to control receives instructions [before you get in] to ensure that you don't carry out your mission in any meaningful manner […] or you won't get resource to do it (IGM official).

Moreover, the culture of secrecy prevents disclosure of financial information on government business which helps consolidate the informal dynamics (Akakpo, 2009). This is illustrated by the following comment by a senior official from the TAD: "We don't give [out] financial information, even for academic research […]."

Overall, the failure of the benefits of liberal democracy and good governance reforms (embracing accounting, administrative, legal, civil society activism, etc.) to materialize in Benin since the advent of the current republic in 1990 are largely attributed to the well-established informal setting fueled by the culture of secrecy (Adoun and Awoudo, 2008; Akakpo, 2009).

4.2.2 Patronage and clientelism. Indigenous patronage and clientelist networks are unreceptive to development and accounting reforms which aim to introduce transparency into government (Sandbrook and Oelbaum, 1997; Kelsall, 2011), because this compromises

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funds siphoned off government coffers to fund followers (Cammack, 2007). In Ghana, interviewees complained that the façade rational-legal accounting is maintained on patronage and clientelism by means of political and personal loyalty. For example:

> […] One should not be surprised about weaknesses in Ghanaian [government] accounting […] and non-compliance with whatever framework […] [Otherwise] how would they fund their supporters? […] (NGO official).

Furthermore, the support of followers, whether regional or partisan based, is crucial for power consolidation in neo-patrimonial governance:

> […] what they do is to try to find ways of staying either by changing the law or by generating funds to buy patrimony for political patronage to prepare for the next elections, to buy votes, to buy officials involved in electoral process; so that they'll help you to win the next elections (NGO official).

For instance:

> […] in the past two years we had these party stakeholders, people who worked […] hard for the current government to win elections. In the end they have to be rewarded in terms of jobs; so sometimes the government pressured hard to put them in places where they don't fit. In the public sector economy, most directors of the various state-owned institutions are appointed by the President mainly partisans, except where the law has certain provisions that there must be representatives of workers, representatives of this and that, even that the law also provides that the President will elect or appoint about four people on the Board. So virtually every state institution, it's a party person who is the Chair of the Board and even some of them are part of the government. They put them across. So it's rewards for loyalty for contributions in terms of time, funds for the campaign process […] And this doesn't encourage good governance (NGO official).

A sound accounting system is unlikely to facilitate this, as government resources (financial or material) have to follow certain prescribed procedures from the authorization stage through to recording and reporting. But "[…] most of these funds given to followers do not show in records […] [or] if it happens it would be disguised under other items [at best]. You can't know. It is difficult" (Government auditor). Efforts (including from donors) to improve recording and reporting face touch resistance (Audit Service, 2014; Lassou *et al.*, 2014). Elements of such resistance are highlighted in the followings:

> […] we have been working to improve this recording and reporting for years […] but you don't see much improvements […] […] because the recording system up to today is still fundamentally manual, people still do not want to record certain things [where] they believe by recording them, it could actually cause problems where perhaps […] the system is chaotic itself (World Bank official).

> They take on the reform idea […] but they know they are not going to do anything (Government auditor).

> […] why our leaders [are] not putting in place effective governance mechanism? […] Because it's not always in their interest to do so. There is no incentive to leave a place where institutions are weak. That means that the leader will have more power. Throughout the system the leader has a great opportunity to consolidate his whole [power] within the system by giving out patronage, by giving out positions, by giving out contracts, etc. You can do that if the institutions are weak. If the institutions are strong you can't really do that. So there's still incentive on the leaders to do that. So there has to be crucial demand from various sources before you can see improvement (NGO official).

> […] people benefit from chaos, recording chaos. Corruption thrives with chaotic [accounting] systems. If the systems are clear-cut, it's very difficult for somebody to put a transaction and yet not have such a transaction proven to be correct or wrong; somebody will be able to get it correctly (World Bank official).

المنارة للاستشارات

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Additionally, the patronage and clientelist politics in the appointment of public officials (Sandbrook and Oelbaum, 1997) have weakened government accounting:

> They [i.e. politicians] come to government, they remove people and they put their own people there. So the [accounting] systems don't work […] (NGO official).

> […] the other side of this is that because you are put in there by the President, you'd not want to do anything that will displease the President! (Local consultant).

Furthermore, members of the network are often protected against accounting findings:

> […] [T]he impediments are many. You come up with an audit report and someone is supposed to be prosecuted […], then the lawyer should be there and this should be there to handle the situation and all that; so there are a lot of things that are not working. And it can be very frustrating if you're an auditor. You spend all your time and come up with substantial evidence and nothing is done about it; or maybe it concerns a big guy who has to do with the President (Government auditor).

And:

> […] [the] PAC hasn't got the power, it cannot set charge or put people before court […] (NGO official).

Likewise, patronage and clientelist politics are embedded across Benin's bureaucracy, which is unwelcoming to governance building (Akakpo, 2009; Bierschenk *et al.*, 2003):

> […] [Patronage] politics dominates too much the administration […] Yet our administration is well structured [legally], the government having their political side where they can put their people, and the administrative side where they should put pure technicians. But I observe that, generally in practice, the trend reverses and everything becomes more political […] (Senior official at TAD).

A senior government auditor added:

> Political clientelism affects a lot the choice of public officials. The appointment of officials to technical functions [accounting] is more political than technical. How can you expect to get results with such a system? For example, to appoint […] [a] director […], it is not the competence that we look for at first. Is he in my political party? Did he campaign for me?

> […] Because of political affiliation […] [and] too much interference from [the] external hierarchy […], they give up the good practices for the bad ones […] (NGO official).

Government accounting has become rhetoric (Lassou *et al.*, 2014) particularly because effective implementation is likely to threaten neo-patrimonial interests (Cammack, 2007). As a result, political buying continues to be a major concern:

> I'm saying that it [political buying of civil society] has permeated the society […] The [traditional] kings, the religions, the unions, everybody receives [public money] again and again […] (Former President of the Chamber of Accounts).

Thus, many officials experience a lack of incentive to follow reform prescriptions by establishing adequate accounting procedures:

> Our leaders are not really interested in accounting reforms […] except for showing off, adoption ceremonies etc […] One has to understand the logic [behind that] […] It's simple: more transparency and controls would expose [them] […] We have pushed hard in here with very limited achievements (Official at Chamber of Accounts).

A government official noted the following in response to a new administrative directive to keep records:

> […] unfortunately at our government level, I would say, in our institutions, i.e. all the organizations that receive public funds […] no record-keeping is practically maintained. You cannot go to a

المنارة للاستشارات
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> Ministry and ask to see their receipts and expenditures, i.e. "How much funding did you receive?" they will tell you approximately; "What have you used the funds for?" No ledger is practically kept, no financial recap documents exist such that an audit can be conducted on specific documents in government institutions and public organizations, except state-owned enterprises. But even in these state-owned enterprises there are a lot of problems.

The situation has deteriorated in recent times, particularly during election cycles:

> There is a trend […] that has generalised completely. [Even] the ministries' Finance Directors talk about it when they get together with their friends. The Ministers say [for instance] "listen: manage to find [CFA franc] 2 million [about US$4,000]. I'm organising a meeting to support the President, that and that". And he [the Finance Director] does everything to find 3 million [US$6,000; he keeps 1 million for himself and gives 2 million to the Minister […] (Official at Chamber of Accounts).

Such funds are taken untracked: as "You can't trace them […]" (TAD official) because "recording […] and controls are in a chaotic state […]" (Local consultant).

The limited performance of control/audit institutions can be attributed to the prevailing clientelist politics. "The control institutions are trapped in our political maneuvering […] to protect the faithful and dismiss the unwanted […]" (NGO official). For example, the renewed and powerful General Inspectorate of State (IGE) is seen as "[…] an ineffective institution, [because] they can do a good job but if […] those who are touched on by the reports are politically powerful and can compromise the re-election of the President of the Republic, the latter can decide to put [the reports] under a bushel, and that would be the end of it! The reports will never be published. There are a lot of reports like this in the process" (Local consultant).

A senior official at the Chamber of Accounts added:

> […] when you are within a ministry it's the Minister who commands you to control something while in general the Ministers themselves are at the heart of the problems occurring in the institutions. You can understand that the Minister cannot ask his Inspector [i.e. auditor] to control the person with whom he undertook a fraud. So the IGMs [General Ministry Inspectorates] have this problem. Very few IGMs can prove that they are autonomous. It is only when a Minister wants to dismiss an FD [Finance Director] that he sends the IGM [to control him]. But when he [the Minister] and the FD get along very well [in misappropriating public funds], you'll never see an IGM carrying out such controls […].

> [The accounting system is one] […] where people make expenditures which are not controlled, which are not controlled because those entrusted with this control are internal to the system [i.e. appointed through political and patronage ties]; and so [they] are not able to express their point of view, are not able to criticise as they should, and recommend sanctions as they should. There are small-scale sanctions that are taken, some small-scale controls that are made. But in the end this accounting is not rigorously followed. And if you see what happens, the expenditure chain […] the expenditure chain is undisciplined! There is a huge indiscipline within the expenditure chain in Benin, simply because there is no rigorous control!

The supreme audit institution is handicapped: "[…] in our country, instead of providing the external control institution [with resources] […] so that the management of public resources by the government can be monitored, the government typically deprives that institution from access to resources and prefers to give the resources to those institutions that it controls and uses the control results for one-sided and political purposes. That's the tragedy with us!" (Former President of the Chamber of Accounts). "The legal framework would be there but they [i.e. political leaders] would exercise the power the way they want […] That's what happens with all governments […]" (NGO official).

While interviewees often complained about the rising of various forms of mismanagement (inefficiencies) and corruption (e.g. frauds and embezzlements) at all government levels, the defective accounting system does not help assess the extent of these issues (Akakpo, 2009).

المنارة للاستشارات

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In both Ghana and Benin, this study revealed that there is "an ongoing and innovative set of strategies of clientelist manoeuvring" (Harrison, 2005, p. 252) behind the façade of accounting reforms adopted for legitimacy as opposed to any real desire for change or improvement (de Renzio, 2006; Lassou and Hopper, 2016). Appropriate frameworks (including relevant regulatory/legal underpinning) to uphold, to a certain degree, the status of an effective accounting system exists (i.e. the façade). However, such frameworks are not implemented or followed in practice because of the prevailing patron-client relationships (Cammack, 2007). As a result, many loopholes and weaknesses still characterize the Ghanaian Government accounting system from recording and reporting to internal audit and parliamentary oversight. The situation in Benin's accounting (like the Francophone's) appears worse compared with that of Ghana (the Anglophone's) (Andrews, 2010; Hedger and de Renzio, 2010). The Beninese accounting system is still characterized by significant leakages and weaknesses (e.g. lack of commitment control, lack of reporting, and lack of audit of accounts) (Adoun and Awoudo, 2008; Akakpo, 2009). Control and accounting is virtually absent in Benin, and the Chamber of Accounts lacks resources to function effectively, which makes the system prone to corruption and inefficiencies (Akakpo, 2009). In December 2013, due to rising and endemic corruption, the country lost its second eligibility for the US Millennium Challenge Account (Jeune Afrique, 2014).

5. Conclusion

This study found that despite differences in their arrangements, government accounting reforms in Benin and Ghana pursued similar aims. They each modernized their legislative frameworks, reporting and control, and adopted best practice systems (e.g. IFMIS) to build governance, improve transparency and accountability, and control corruption. However, in both countries, reforms were not implemented as expected, and in many cases, were implemented but disregarded in practice (e.g. ARICs in many government institutions in Ghana; control division within the TAD and Chamber of Accounts with respect to its audit function in Benin). Despite these similarities in reform implementation, Ghana's accounting appears more functional compared to that of Benin. The Ghanaian accounting system produces regular accounts (despite issues with their reliability) which are publicly reviewed by the Parliament's PAC, while the Beninese does not. Neither are the accounts audited by the supreme audit institution (the Chamber of Accounts) in Benin as opposed to the Ghanaian. Nevertheless, in both cases the reforms decouple.

While decoupling occurred in the study contexts in different ways, adopted reforms and their subsequent implementation appeared to represent façades. In both countries, reform adoption emerged as a symbolic exercise and in practice there were: denial of access to relevant resources for enacted accounting institutions to function (e.g. Audit Service in Ghana and Chamber of Accounts in Benin), a deliberate lack of adherence to accounting procedures, a purposive disregard for reform implementation (e.g. Financial Administration Tribunal in Ghana; UEMOA directive on PFM transparency in Benin), and political interference. Such decoupling appeared to be facilitated or prompted by the prevailing neo-patrimonial governance system wherein implementation decisions are taken in informal settings underpinned by a culture of secrecy (more elaborated in Benin than in Ghana) and an established patronage and clientelist network. Behind the formal accounting system (i.e. the façade), patronage and clientelism abound within an informal setting, which make adopted accounting rules and procedures redundant; hence the observed limited role of accounting in improved accountability, governance, and ultimately development (e.g. poverty reduction) (Bierschenk *et al.*, 2003; Hopper *et al.*, 2017; Lassou and Hopper, 2016).

This paper contributes to the literature in two ways. It fills an important empirical gap by investigating an under-researched setting – Africa – characterized mostly by differing

المنارة للاستشارات
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contexts ("Anglophone versus Francophone", Lassou and Hopper, 2016) with different government accounting arrangements, but pursuing reforms with similar aims. Thus, the study furthers our understanding of why and how such reforms pursuing similar aims decouple in these contexts (which is unaddressed in prior studies). This leads to the second contribution. Theoretically, the paper provides such insight by drawing on the concepts of organizational façade and neo-patrimonialism. More specifically, the first was used to explain how the reforms decouple, and the second to explain why they do so.

Notes

1. According the UN Millennium Project: "Sub-Saharan Africa is the epicenter of crisis, with continuing food insecurity, a rise of extreme poverty, stunningly high child and maternal mortality, and large numbers of people living in slums […]" – see: www.unmillenniumproject.org/goals/index.htm (accessed July 6, 2015).
2. *Front des Organisations Nationales contre la Corruption* (FONAC) (see https://fonacbenin.wordpress.com/).
3. Strengthening Transparency, Accountability and Responsiveness (STAR-Ghana) (see www.star-ghana.org/about-star-ghana/about-star-ghana-2/).
4. *Union Economique et Monétaire Ouest Africaine* or "West African Economic and Monetary Union."
5. Financial accounts.
6. General account of the central administration.
7. Draft budget out-turn.
8. See www.ifac.org/system/files/publications/files/IPSAS_Adoption_Governments.pdf (accessed May 19, 2015).
9. See www.ghananewsagency.org/economics/government-launches-new-public-sector-accounting-standards-81457 (accessed May 19, 2015).
10. Budget out-turn.

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