

The role of Local Government Associations in Promoting Developmental Local Governments

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This short note was commissioned by the Swedish International Center for Local Democracy (ICLD) and originally written to frame a panel discussion at the first Global Forum on Local Development¹, on how national, regional and global Local Governments Associations (LGA) could support the emergence of developmental local governments, i.e. local governments that act strategically to promote local development and contribute to the achievement of the MDGs. In its current form, it reflects also the questions and comments raised by participants in the above discussion². The author however remains solely responsible for its content.

Local Governments Associations...what are they for?

In the course of the last century, the number of national Local Government Associations (LGA) has continued to grow worldwide and their nature and functions have continued to evolve. At their core are the original, if limited, functions of (i) documentation and information clearinghouses and (ii) vehicles for exchange of experiences among members on municipal government issues and practices. These functions continue to be important and LGA are often critical sources of information for their members, as well as for the central government and outside partners. They also continue to provide their members with a permanent forum for the exchange of experiences and best practices in local governance and services delivery.

In time, however, Local Government Associations have been taking on two more substantive roles as (iii) lobbyists for local governments' interests with central authorities and (iv) providers of an increasingly diversified range of policy, legal and technical advisory and capacity building services to their members.

Local Government Associations lobby and campaign for changes in policy, legislation and funding on behalf of their members, they represent their members in national policy development dialogues and often act as intermediary between central and local governments. Regional and global networks of LGA have extended such representation of local governments interests and concerns to international forums and a particularly important milestone has been reached at the Accra High Level Forum of September

¹ The first "Global Forum on Local Development: Pursuing the MDGs through Local Government" was convened by the United Nations Capital Development Fund (UNCDF), the United Nations Development Programme (UNDP) and the Government of Uganda. It was held in Kampala on 4-6 October 2010 with the participation of representatives from over 80 countries.

² The panel discussion on "the role of Local Governments Association" was facilitated by Jacques Jobin, former Secretary General of the International Union of Local Authorities – IULA. Other panel members included:.....

2008, where the need for Local Governments' representation in national-level programming of external aid has been officially recognized.

The scope of LGA involvement in the design and implementation of capacity building programs for their members has continued to expand since the mid of the last century. Where this has been supported by external aid, this has led to both (i) a global expansion in forms of decentralized cooperation, where technical (and in some cases financial) assistance by LGA and individual local governments in developed countries has been secured, often through the intermediation of regional and global LGA networks, and (ii) a still incipient, but increasing, trend to entrust LGA with the responsibility to implement LG capacity building programs financed by external aid agencies.

In summary, LGA have a critical role to play for the emergence of "developmental" local governments worldwide, both by (i) advocating and sustaining the momentum of decentralization reforms and (ii) building the capacity of their members to adopt good local governance practices and promote good local development. And the international community has started to notice their potential.

But such potential varies greatly from country to country. There are significant, sometimes dramatic, differences in mandate, structures and capacity, reflecting variations in both the advances of decentralization reforms and the nature of the local governments they created, in any given country.

As a general rule, and hardly surprisingly, the ability of LGA to act as independent advocate of their members' interests, speak with credibility on their behalf, and provide them with effective services, depend on the extent to which local governments (i) are recognized as an autonomous sphere of government within the national State and (ii) have the executive and administrative capacity to function as such. In what is only apparently a paradox, therefore, LGA are less effective and capable precisely in those developing countries' contexts where independent LGA would be needed most, to move the decentralization reform process beyond its initial political rationale and build developmental local governments.

A stronger voice and ...a better mirror

A consensus is emerging in the international community that Local Governments need to actively contribute to the achievement of the MDG, by taking a greater role in local development planning and management, and realizing their *developmental* potential. But how strongly are LG themselves, and their Associations, claiming and embracing such role?

Too often, and inevitably where LGA do not yet exist or are in their infancy, the developmental role of local governments, if any, is debated by States and civil society, and negotiated with donors, without local governments themselves being part of the conversation. Too often, in their dialogue with central authorities, donors seem to be pushing the decentralization and local development agenda "in lieu", rather than "in support", of an organized local government movement.

While this might be inevitable at the outset of the reform process, the emergence of committed local governments with a strong collective voice demanding that the goal of local development drive the

reforms and that their critical role in promoting it be recognized, quickly becomes essential if decentralization has to move forward and deliver democracy and development benefits.

Unfortunately, while much development work is actually being done, day in and day out, by individual local governments across the world, their collective voice to claim and responsibly carry out a new and critical role for local development remains faint. Articulating that collective *voice* and making it heard by government, civil society and donors, remains therefore a central and most critical task for LG Associations at national, regional and global level.

But, besides articulating the collective voice of their members, LGA should also provide them with a *mirror* which they could look into, to recognize and address their own internal problems (of leadership and capacity) which prevent them from claiming and performing their potential developmental role.

This last point is a critical one. Where LG do not play a developmental role commensurate with their potential (and there are still too many places where this is the case), what tends to be blamed immediately is the lack of supportive national decentralization policies. Indeed the lack of such policies or their political, rather than developmental, rationale and the slow and uncertain pace at which they are implemented, are a tremendous constraint to the emergence of pro-active developmental local governments. But this is by no means the entire story.

Given any meaningful level of decentralization of responsibilities and resources for development management and services delivery, a change of attitudes, and specific knowledge and skills for local development promotion are still needed for the actual emergence of “developmental” Local Governments. One needs to think *beyond* decentralization reforms, to the local attitudes and skills necessary to translate them into improved governance and development outcomes. Particularly important in this respect is *local leadership*. Indeed a recent study shows that *local leadership* understood and practiced as “*the pursuit of community well-being through the facilitation of strategic interventions that would not otherwise have happened and which are informed by and accountable to the public*”,³ is critical for genuine local development.

Needing both a more assertive collective political voice and a more responsible developmental attitude the LG movement seems to be at a crossroad. It requires a major “improvement”, which is actually nothing short of a change of paradigm. What are needed are more mature, more confident and more responsible local governments, which, while fighting for greater autonomy and an enabling decentralization policy environment, do not hide behind the limitations of such environment and proactively embrace their developmental role, making the most of any given situation.

Perhaps the best way to capture the required shift is to quote the recent “Freeport Declaration” issued at the conclusion of the 2009 conference of the Commonwealth Local Governments Forum (CLGF) which states that:

³ M.Geddes and H. Sullivan Delivering development through Local Leadership in the Commonwealth, Background paper of the CLGF Conference , Auckland, New Zealand, March 2007

*“a business un-usual approach, which speaks of confidence, opportunity and innovation rather than helplessness, is needed; a shift towards a ‘developmental’ model, with clear strategic vision and leadership, that focuses on what needs to be done rather than on systems and structures”.*⁴

The scope of required action by LG Associations

How then, Local Government Associations (LGA) can contribute to the emergence of these more confident and more responsible local governments? Action appears to be needed in four areas.

- Recognizing the specificity of Local Development as well as its relation to national/global development efforts and clarifying the role and responsibilities of LG in promoting it. In summary: developing and advocating a “Local Development through Local Governments” (LDLG) approach
- Advocating LD and the role of LG (the LDLG approach) with national governments and global institutions, stressing the need for decentralization reforms that (i) are actually *driven by local development objectives* and framed by a national strategic commitment to local development, and (ii) provide the necessary degree of *local autonomy* which is critical for the “...*confidence, opportunity and innovation...*” needed for genuine local development.
- Raising the awareness, and developing the capacities, of their member Local Governments for adoption and implementation of the LDLG approach
- Partnering with aid agencies to promote LDLG, both (i) by systematically voicing LG concerns and requirements, in national-level aid negotiation processes and (ii) by offering new and complementary channels for external aid directed to the strengthening of the policy-making and development administration capacity of Local Governments.

Below we elaborate on these potential areas of action, and raise some of the questions that could frame the global discussion, and a related research agenda, on the role of LGA for the promotion of developmental local governments.

Recognizing the specificity of “Local” Development

If LGA want to promote *developmental* local governments, they should articulate and communicate to their members a proper understanding of what *local* development actually is. Clearly, it is not just development that happens locally (all development does) , but rather development that leverages the comparative and competitive advantages of localities and mobilizes their specific physical, economic, social, political, and cultural resources and institutions.

Said differently, in the expression “local development” the adjective local does not refer to the *where*, but to the *how* of development. It refers to the actors that promote it and the resources they bring to bear on it. Local development is *endogenous, open* and *incremental*: it makes use of locality-specific resources, combines them with national/global resources and brings them to bear on the national development effort in a *positive* sum game. And among locality-specific resources two are of paramount importance: the local *social capital* and the local *political institutions*. In fact, the presence of these two

⁴ FREEPORT DECLARATION ON IMPROVING LOCAL GOVERNMENT: THE COMMONWEALTH VISION, Outcome of the Commonwealth Local Government Conference 2009, agreed by the Commonwealth Local Government Forum (CLGF) General Meeting of Members on 15 May 2009

resources, their quality and, in particular, the capacity of the latter to build and mobilize the former, may well determine the way in which all other local and non-local resources (human, physical and financial capital) can be developed, mobilized and combined to pursue specific local development strategies.

For Local Governments Associations, a proper understanding of, and commitment to, *local* development, as defined above (i.e. *endogenous, open and incremental*), and to the role of local political institutions to promote it, is therefore a pre-requisite for a new agenda in support of developmental local governments. It should color and provide a sharper focus to all actions that Associations are called to undertake (i) to advocate the developmental role of LG with national and global actors and (ii) to educate, and support, its member LGs to effectively take up such role.

Questions

- **What should the LG Associations do, to develop a better understanding of Local Development among its members and place its promotion at the center of their action?**
- **How could the Associations of Local Authorities help link the promotion of Local Development by Local Governments with the pursuit of national and global goals like the MDGs?**

Advocating the LDLG approach

A focus on local development could change the way in which Local Governments Associations interact with national governments in advocating and shaping decentralization reforms. With such focus, the attention could indeed shift to “...*what needs to be done rather than systems and structures...*”.

A proper conceptualization of local development would enable LG Associations and other reforms champions to argue that the benefits of decentralization are not limited to the potential efficiency improvements in State resources allocation and use, but extend to the mobilization of additional private sector and community resources (the *incremental* dimension of local development). At the same time, focusing on local development would bring to the fore the centrality of *local autonomy*, (an often misunderstood and neglected dimension of the reforms) without which, neither public expenditures efficiency gains, nor additional resources mobilization are likely to materialize.

While clarity in the reassignment of functions from central to local authorities will remain essential, greater emphasis could be put on simultaneously (i) expanding and supporting autonomous Local Governments action under their *general mandate* for the welfare of their constituencies (rather than assigned *specific functions*) and (ii) developing appropriate forms of inter-governmental cooperation and sharing of responsibilities for services delivery.

More broadly, LG Associations could advocate national policies and strategies that support local development and actually drive the decentralization reforms process, beyond their initial political rationale. This would include the establishment of LD technical and financial support instruments that

facilitate, and respond to, the initiatives emerging from a new generation of local-level strategic planning exercises and strategic partnership arrangements.

A new emphasis should be given to the documentation of success in promoting local development by local governments. This is a task that LG Associations already perform. To support the “Local development through Local Government” paradigm, it should be further focused on documenting LG action to (i) build and mobilize social capital, (ii) facilitate active citizenship, and (iii) bring additional private and community resources to bear on improved local services delivery and local economic development.

Questions

- **How could LG Associations contribute to the adoption and implementation of a country’s Local Development policy/strategy?**
- **What makes it difficult for LG Associations to champion local autonomy and advocate LD-driven decentralization reforms? What can be done to overcome these difficulties?**
- **What could LG Association do to help their member LGs enter into partnerships with national agencies for delivery of centrally funded programs aiming at the achievement of MDG?**
- **What can LG Association do to better document and publicize success stories of Local Development by Local Governments (LDLG) ?**

Raising awareness and developing capacities

Obviously, LG Associations can do much to raise the awareness of member LG of their developmental role and build related capacities.

The first essential task is that of creating a strong sense of institutional identity and common purpose for the entire local government system of a country, one that transcends partisan allegiances and recognizes Local Governments primarily as instruments of local development for the greater public good, rather than tools for legitimization and consolidation of political parties and ideologies. The role of LG Associations in promoting such non-partisan institutional identity of the LG movement is critical, but not easy, as the Associations themselves are often the target of partisan attempts to take over and manipulate their agenda. Nonetheless, as a Sri Lankan LG official put it, perhaps the greatest value of a LG Association is that of “ [...]challenging the notion that when one [LG] Chairman says something, that is a party position, when normally it’s not [...] .With the Association, it’s our common view. Now when we deal with other levels of government they can’t dismiss it as being a party issue.”⁵

Beyond nurturing the institutional identity of the LG movement, LG Associations must build the capacities of effective developmental LG. They are already doing a lot in this respect. As already

⁵ See “ The Establishment of the Federation of Sri Lankan Local Government Authorities” in UCLG position on Aid Effectiveness and Local Government (December 2009)

mentioned, their action ranges from distilling and disseminating good practices in local development management (for services delivery, environmental management and economic development promotion) to extending legal counsel, technical assistance and procurement services to their members.

But to promote local development as defined above, the capacity of LG must extend beyond the competencies needed to manage a local authority organization. LG leaders will need to develop strategic goals, including the local articulation of the MDGs, and leverage local community resources to achieve them. Hence a new kind of capacity is needed for the practice of both “strategic planning” and “horizontal subsidiarity”. There is a need for *“a wider capability to lead in collaboration with partners and communities. Working with communities implies [...] learning to think about services from users’ perspectives, recognizing the ways in which communities work, enabling and supporting community leaders. Working with partners implies being aware of different interests, [...] leading through influence rather than control, developing strategic priorities which meet the needs of all partners”*⁶

Questions

- **What could national and global LG Associations do to strengthen the institutional identity of LG and limit their political manipulation?**
- **How could the Associations of Local Authorities build the capacity of their members for strategic planning ?**
- **How could the Associations of Local Authorities build the capacity of their members for the practice of “horizontal subsidiarity” ?**

Partnering with aid agencies

The promotion of more confident and more responsible developmental Local governments requires also that their Association (national, regional and global) take a new and enhanced role in both shaping the agenda and modalities of external aid, as well as helping deliver it.

In recent years, many have pointed at the contradiction between the rhetoric of support to decentralization reforms, local governance and local development, and the risk of increased centralization of aid management through the new instrumentalities (i.e. budget support and Sector-wide programs) associated with the international aid harmonization and alignment agenda.

But such contradiction has less to do with the nature of the new instruments themselves than with the absence, or weakness, of a LG perspective about their deployment and their management. Actually as some example indicate⁷ SWAP in traditional sectors, can be structured to involve sub-national authorities in the delivery of sector services in ways that bring local autonomy to bear on their quality

⁶ M.Geddes and H. Sullivan Delivering development through Local Leadership in the Commonwealth, Background paper of the CLGF Conference , Auckland, New Zealand, March 2007

⁷ See for example the discussion of the Sector-Wide Health Approach in Tanzania , in UCLG position on Aid Effectiveness and Local Government (December 2009)

and effectiveness. Similarly, the need for Program-based approaches to align and harmonize external aid to the implementation of decentralization reforms and the promotion of local development are emerging in many countries, and offer a great opportunity for LG Associations to shape them and participate in their implementation.

What is needed is therefore a more assertive role of LGA in (i) shaping the agenda and modalities of external aid, and (ii) helping both coordinate decentralized cooperation and participate in the delivery of externally funded programs.

On the first point, there is increasing recognition in the international community that LG Associations, must be strengthened to enable them to participate in national political dialogue, and articulate an autonomous and non-partisan LG viewpoint to help shape external assistance strategies and country programs in ways that maximize the comparative advantages of local governments in the fight against poverty⁸. A similar awareness should be developed with respect to the need for LG Associations to participate in the political dialogue on the development of national strategies and programs to implement decentralization reforms, again to articulate an autonomous and non-partisan LG viewpoint on the need for the reforms to be driven by local development and poverty reduction goals.

On the second point much remains to be done to coordinate decentralized cooperation in a way that is responsive to actual needs, add real value and supports national reform processes. LG Associations may have an important role to play to ensure a better match between demand and supply of development cooperation between local authorities of the developing and developed countries.

But perhaps the most important way for LG Associations to improve the effectiveness of external aid for local governance and development, is to assume greater direct responsibility in the implementation of program aimed at strengthening the policy making and administrative capacities of local authorities. A more assertive, demand-driven, “self-help” approach to LG capacity building is needed, to complement (and in some case to substitute) other capacity building efforts made by States, commonly through Ministries that oversee sub-national governments. Such approach could be developed by LG Associations and proposed to external aid providers as an additional and potentially most effective channel for aid to LG capacity building.

But the role of LGA in managing externally funded LG capacity-building programs, should not be developed at the expense of their other core function of representation and advocacy of their members interests in the policy dialogue with central government. The risk of overloading LGA with aid delivery tasks is real and a balanced approach by external aid agencies is needed, combining, where necessary, some unconditional budget support that would enable LGA to pursue their core advocacy mandate, with other financing modalities for specific LG capacity building tasks. This would ensure that that LGA implementation of ODA-funded programs does not detract from, but rather have a synergetic feedback on their capacity for independent representation of local governments’ interests.

⁸ See for example EU, Local Authorities : Actors for Development, Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee and committee of the regions, Brussels 2008

Questions

- **How can LG Associations in aid-receiving countries help shape the agenda and modalities of external aid?**
- **What can LG Associations (global, regional, national) do to improve the effectiveness of decentralized cooperation?**
- **How could LG Associations take a greater and direct role in delivering aid-financed programs for LG capacity building?**
- **What aid delivery models could leverage the comparative advantages of the world-wide network of LG Associations?**
- **What are the obstacles for LG Associations to become an expanded and effective channel of external aid to developmental LG?**