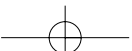
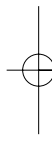
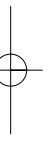
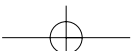
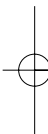
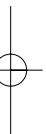
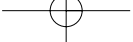


**DEMOCRACY AT THE LOCAL LEVEL**





# **DEMOCRACY AT THE LOCAL LEVEL**

**THE INTERNATIONAL IDEA HANDBOOK ON  
PARTICIPATION, REPRESENTATION, CONFLICT  
MANAGEMENT, AND GOVERNANCE**

Timothy D. Sisk

with

Julie Ballington, Scott A. Bollens, Pran Chopra,  
Julia Demichelis, Carlos E. Juárez, Arno Loessner, Michael Lund,  
Demetrios G. Papademetriou, Minxin Pei, John Stewart,  
Gerry Stoker, David Storey, Proserpina Domingo Tapales,  
John Thompson, Dominique Wooldridge

International IDEA Handbook Series 4



**Democracy At The Local Level**

***The International IDEA Handbook on Participation, Representation, Conflict Management, and Governance***

**International IDEA Handbook Series 4.**

The International IDEA Handbook Series aims to present information on a range of democratic institutions, procedures, and issues in an easy-to-use handbook format. Handbooks are primarily aimed at policy-makers and practitioners in the field.

© International Institute for Democracy and Electoral Assistance (International IDEA) 2001

All rights reserved.

Applications for permission to reproduce all or any part of this publication should be made to: Publications Office, International IDEA, Strömsborg, SE 103 34 Stockholm, Sweden.

International IDEA encourages dissemination of its work and will respond promptly for requests for permission for reproduction or translation. This is an International IDEA publication. International IDEA's publications are not a reflection of specific national or political interests. Views expressed in this publication do not necessarily represent the views of International IDEA's Board or Council members.

Art direction and Design: Eduard Čehovin, Slovenia

Photos front cover: John Thompson, © John Thompson and Associates,

Göran Leijonhuvud, © PRESSENS BILD,

Denny Lorentzen, © PRESSENS BILD

Pre-press: Studio Signum, Slovenia

Printed and bound by: Bulls Tryckeri, Halmstad, Sweden

International IDEA Handbook Series 4

ISSN: 1402-6759

ISBN: 91-89098-73-0

## FOREWORD

**T**he forces of change fostering democratization at the local level have gathered so much momentum in recent years that they can only be resisted at one's own peril. Democracy has become the legitimate demand of all local communities. Today more than 70 countries in various parts of the world are in the process of implementing political and administrative reforms aimed at decentralizing and strengthening local governance. In many cases this is being undertaken by young and new democracies that have only recently undergone transitions to popular rule.

As democracy is not an event but a complex and continuous process, it is essential that its inception and development are properly managed and nurtured. It is in this regard that this handbook will be a very useful tool in the process of promoting and developing democracy at the local level. It will be an essential reference document for all those who are involved in the political and administrative processes of democratization. It will enhance people's capacity to manage diversity and to design appropriate systems to suit various levels and degrees of democratization.

At the International Union of Local Authorities, we are convinced that sustainable development in strong as well as in weak economies can only be assured if local government is empowered to play its role based on recognized principles of participation and transparency and in a manner that conforms to basic human rights.

We endorse the comment in the Introduction that this book is designed to help citizens and policy-makers answer key questions about the design and implementation of efficient local democracy. This is not a cookbook with standard recipes for success. With this handbook local authorities can learn about the practices of their colleagues around the world that have worked, those that have not worked very well, and the possibilities and problems associated with

enhanced participation. Civil society leaders can learn how to voice their opinions more effectively about the communities in which they live.

I encourage all those who want to contribute to the empowerment of people to read this handbook. You will be comforted by the fact that many people around the world share your passion for local government. You will see that by creating links with one another as this handbook permits, we are, from our local communities, ensuring that globalization leads to a world where diversity and basic human rights go hand in hand.

With this handbook, International IDEA has made a lasting contribution to our endeavour to govern ourselves with dignity and with respect for our fellow citizens. All those, like me, who greatly value and cherish democracy at the local level owe International IDEA a great debt of gratitude for this contribution.

**Maximo MM Ng' andwe**

President, *International Union of Local Authorities*

President, *Local Government Association of Zambia*

## PREFACE

**A**t the heart of all democracies is an essential trust that the individual places in others to fairly pursue the common affairs of all people. This basic trust, sometimes called “social capital”, can only be built from the ground up, from the local level. A vigorous local democratic culture, a vibrant civil society, and an open, inclusive local government, are fundamental to the long-term viability of any democracy.

With this handbook, International IDEA seeks to further its mission of promoting sustainable democracy world-wide. We hope to improve not only democratic institutions and processes, but the very quality of governance as well. The handbook focuses on the tier of governance often ignored, the local level closest to the citizens. It does not purport to offer all the answers to designing a system of local democracy or to managing a complex city. Instead, the goal is to provoke a close reexamination of the purpose, form, and nature of local democracy world-wide and to share common experiences and to offer the best in scholarship in an accessible, clear, and well-organized volume.

This handbook, like other International IDEA projects, recognizes that an essential function of all democracies is the management of social conflict. Civil society groups, public administrators, and international, national, and local policy-makers do not simply reflect broader conflicts in society, but instead they shape and manage social differences and disputes. In especially divided societies around the world, such as East Timor, Guatemala, Kosovo, Nigeria, or Indonesia, civil society groups and policy-makers have learned a key lesson – successful democratization through peace building requires fostering progress toward these objectives at the local level.

There are many people involved in a project of this significance, and International IDEA owes many tributes to those whose work is

reflected in this publication. Professor Timothy Sisk is principal author of the book and to him and to the authors with whom he worked we are especially grateful for their expertise and enthusiasm. Professor Reg Austin as Programme Director and Igor Koryakov as Project Manager guided the project to fruition through project design and substantive development. Salma Hasan Ali contributed to the intellectual design of the handbook, the structure, organization, and presentation of the text, and she edited the publication for substance, clarity, and accuracy. Peter Harris and Ben Reilly provided invaluable reviews that helped shape the scope, direction, and themes presented here.

The project team would like to especially acknowledge the assistance of the Expert Advisory Group for this project. Two organizations – the International Union of Local Authorities (IULA) and the United Nations Development Programme Management and Governance Division – provided their assistance and experience, for which the project team is especially thankful. IULA research and training director Professor G. Arno Loessner also provided invaluable assistance to the project team.

We would also like to thank International IDEA's member states for the provision of core funding and the Swedish International Development Agency, SIDA, for providing complementary funding, which allowed this project to proceed.

By focusing on the level of governance at which citizens and civil society directly interact with governments (and each other), we hope that this handbook will further the development of more vibrant, effective, and meaningful local democracy world-wide. Democracy must be built from within and from below.

**Bengt Säve-Söderbergh**

Secretary-General



# TABLE OF CONTENTS

|  |      |
|--|------|
| <b>Foreword</b> .....  | v    |
| <b>Preface</b> .....   | vii  |
| <b>Acronyms</b> .....  | xiii |
| <b>Introduction</b> .....  | 1    |
| The Need for this Handbook .....   | 2    |
| The Aims of this Handbook .....  | 5    |
| Using the Handbook .....   | 6    |
| Sources and References .....   | 7    |
| <b>Chapter 1 Concepts, Challenges, and Trends</b> .....  | 11   |
| 1.1 Key Concepts in Local Democracy .....  | 11   |
| 1.1.1 <i>Definitions of Local Democracy</i> .....  | 12   |
| 1.1.2 <i>Direct versus Representative Democracy</i> .....  | 13   |
| 1.1.3 <i>Adversarial versus Collaborative Democracy</i> .....  | 14   |
| 1.2 Challenges for Local Governance .....  | 15   |
| 1.2.1 <i>Service Delivery</i> .....  | 16   |
| 1.2.2 <i>Urbanization</i> .....  | 17   |
| 1.2.3 <i>Globalization</i> .....   | 19   |
| 1.2.4 <i>Diversity</i> .....   | 20   |
| 1.3 Trends in Local Governance .....   | 21   |
| 1.3.1 <i>Strategic Partnering</i> .....  | 21   |
| 1.3.2 <i>Decentralization and Co-operative Governance</i> .....  | 23   |
| 1.3.3 <i>New International Norms</i> .....   | 25   |
| 1.4 Sustainable Urban Development .....  | 27   |
| <b>Essay: Local Governance and Democracy in the</b><br><b>Twenty-first Century, Gerry Stoker</b> ..... | 29   |
| <b>Further Reading</b> .....   | 33   |
| <b>Chapter 2 Designing Systems for Local Democracy</b>   |      |
| <b>Three Case Studies</b> .....  | 37   |
| 2.1 National Contexts .....  | 37   |

2.2 Basic Types and Forms ..... 40

2.3 Criteria for Comparison ..... 42

2.4 Decentralization ..... 45

2.5 Money Talks: Fiscal Policy ..... 47

2.6 Linkages Across Boundaries ..... 48

**Case Study: Local Governance, Decentralization, and Participation in the Philippines, *Proserpina Domingo Tapales* ..... 50**

**Essay: Partnerships for Governance: Models for Workable Fiscal Decentralization, *Arno Loessner* ..... 54**

**Case Study: San Diego, California, USA and Tijuana, Mexico: Co-operation and Democracy on the US-Mexican Border, *Carlos E. Juárez* ..... 60**

Further Reading ..... 68

**Chapter 3 Diversity and Democracy ..... 71**

3.1 Ethnically-Charged Disputes ..... 71

3.2 Democracy as Conflict Management ..... 72

    3.2.1 *Aims and Options* ..... 73

    3.2.2 *Approaches to Conflict Handling* ..... 75

3.3 Public Policy ..... 78

**Case Study: Role of Public Policy: Belfast, Jerusalem, and Johannesburg, *Scott A. Bollens* ..... 82**

**Essay: Peace Commissions for Conflict Resolution and Reconciliation, *Michael Lund* ..... 90**

**Essay: International Migration and Cities, *Demetrios G. Papademetriou* ..... 98**

**Case Study: Peace-Building in Bosnia’s Ethnically Divided Cities The Case of Gornji Vakuf, *Julia Demichelis* ..... 103**

Further Reading ..... 111

**Chapter 4 Enhancing Electoral Democracy ..... 115**

4.1 Elections: Legitimacy, Accountability, and Trust ..... 115

4.2 Local Elections: Key Issues ..... 117

    4.2.1 *The Who, What, When, and How of Local Elections* ..... 117

    4.2.2 *Advantages of Local Elections* ..... 118

4.3 Local Elections in Democratizing Societies ..... 118

4.4 Evaluating Local Elections ..... 120

4.5 Electoral Systems ..... 122

    4.5.1 *Choosing an Electoral System* ..... 123

    4.5.2 *Principal Options* ..... 125

|   |     |
|---|-----|
| 4.5.3 <i>Special Considerations for Local Democracy</i> .....   | 126 |
| 4.6 Referendums and Ballot Initiatives .....  | 128 |
| 4.7 Political Organizations .....   | 130 |
| 4.7.1 <i>Local Party Development</i> .....  | 132 |
| 4.7.2 <i>Democracy within Parties</i> .....   | 133 |
| <b>Essay: Local Governance in India: Empowering Women and</b><br><b>Minorities, Pran Chopra</b> .....   | 135 |
| <b>Case Study: Village Elections: China's Experiment in Rural</b><br><b>Self-government, Minxin Pei</b> .....                                   | 137 |
| Further Reading .....   | 142 |
| <b>Chapter 5 Expanding Participatory Democracy</b> .....  | 145 |
| 5.1 What is Collaborative Civic Engagement? .....   | 146 |
| 5.1.1 <i>The Importance of Participation</i> .....  | 147 |
| 5.2 Designing a Collaborative Process .....   | 149 |
| 5.2.1 <i>Setting the Agenda</i> .....   | 149 |
| 5.2.2 <i>Selecting Participants</i> .....   | 150 |
| 5.2.3 <i>Role of Public Officials</i> .....   | 152 |
| 5.3 Overview of Participatory Approaches .....  | 154 |
| 5.3.1 <i>A Menu of Collaborative Policy-Making Methods</i> .....  | 156 |
| 5.4 Potential Problems in Collaborative Decision-Making .....   | 168 |
| 5.5 Evaluating Civic Engagement .....   | 172 |
| 5.5.1 <i>Common Methods of Evaluation</i> .....   | 172 |
| 5.5.2 <i>Performance Evaluation</i> .....   | 173 |
| 5.6 The Importance of Communication .....   | 175 |
| 5.7 Virtual Local Governance .....  | 176 |
| <b>Essay: Community Planning: From Conflict to Consensus, John Thompson</b> .....   | 182 |
| <b>Case Study: Promoting Women's Participation in</b><br><b>Southern Africa, Julie Ballington</b> .....   | 189 |
| <b>Case Study: Enhanced Participation in Local Government: Lessons from</b><br><b>South Africa, David Storey and Dominique Wooldridge</b> ..... | 195 |
| Further Reading .....   | 205 |
| <b>Chapter 6 Promoting Local Democracy in the Twenty-first</b><br><b>Century</b> .....  | 209 |
| 6.1 Overview of the Democracy-Promotion Network .....   | 209 |
| 6.1.1 <i>Purposes</i> .....   | 210 |
| 6.1.2 <i>Tasks</i> .....  | 211 |
| 6.2 New Emphases on Local Democracy .....   | 214 |

|                                      |     |
|--------------------------------------|-----|
| 6.2.1 <i>Methods</i> .....           | 215 |
| 6.2.2 <i>Lessons Learned</i> .....   | 216 |
| 6.2.3 <i>Outlook</i> .....           | 217 |
| Further Reading .....                | 219 |
| <b>Annex One: Glossary</b> .....     | 220 |
| <b>Annex Two: Contributors</b> ..... | 224 |
| <b>Index:</b> .....                  | 228 |

## Figures and Checklists

|   |     |
|---|-----|
| <b>Figure 1</b> Local Democracy: Key Concepts .....   | 13  |
| <b>Figure 2</b> Problems Mayors Face World-wide .....   | 17  |
| <b>Figure 3</b> The World's Largest Cities .....  | 18  |
| <b>Figure 4</b> International Norms on Local Self-Governance: Excerpts .....                          | 25  |
| <b>Figure 5</b> Local Governance in the Russian Federation .....                                      | 39  |
| <b>Figure 6</b> Categories of Size in Urban Arenas .....  | 44  |
| <b>Figure 7</b> Advantages and Disadvantages of Decentralization .....                                | 46  |
| <b>Figure 8</b> Assigning Responsibilities in an Integrated System of Governance .....                | 56  |
| <b>Figure 9</b> The Lund Guidelines: Recommendations for Reconciling<br>Democracy and Diversity ..... | 79  |
| <b>Figure 10</b> Examples of Peace Commissions .....  | 90  |
| <b>Figure 11</b> South Africa's Peace Committees .....  | 92  |
| <b>Figure 12</b> Local Elections in Comparative Perspective .....                                     | 121 |
| <b>Figure 13</b> Types of Electoral Systems .....   | 124 |
| <b>Figure 14</b> Popular Referendums: Promises and Perils .....                                       | 129 |
| <b>Checklist</b> Evaluating Democratic Practices in Local Political Organizations .....               | 133 |
| <b>Figure 15</b> Traditional and Enhanced Participation .....   | 146 |
| <b>Figure 16</b> Key Terms in Collaborative Decision-Making .....                                     | 148 |
| <b>Figure 17</b> Designing Successful Collaborative Processes .....                                   | 151 |
| <b>Checklist</b> Steps Involved in Planning Collaborative Projects .....                              | 154 |
| <b>Figure 18</b> Addressing Apathy in Jihlava, Czech Republic .....                                   | 157 |
| <b>Figure 19</b> Market Women, Bankers, and Mayors: Kampala, Uganda .....                             | 159 |
| <b>Figure 20</b> Innovation in Public Participation: Citizen Juries (John Stewart) .....              | 161 |
| <b>Figure 21</b> A Design Model for Collaborative Civic Engagement .....                              | 163 |
| <b>Figure 22</b> Guidelines for Public Participation (John Stewart) .....                             | 167 |
| <b>Figure 23</b> Troubleshooting Participatory Policy-Making .....                                    | 170 |
| <b>Checklist</b> Performance Evaluation Measures and Methods .....                                    | 174 |
| <b>Figure 24</b> Democracy Online .....   | 179 |
| <b>Figure 25</b> www.andhrapradesh.com: An Innovation in E-Governance .....                           | 180 |

## ACRONYMS

|       |   |
|-------|---|
| ANC   | African National Congress (South Africa)                          |
| BOT   | build-operate-and-transfer scheme (Philippines)                   |
| CBOs  | Community-based organizations                                     |
| CHS   | Commission on Human Settlements (UN)                              |
| COE   | Council of Europe   |
| COLEF | <i>el Colegio de la Frontera Norte</i> (San Diego-Tijuana)        |
| CSOs  | Civil society organizations                                       |
| EU    | European Union  |
| FD    | Fiscal decentralization   |
| GWG   | Gender Working Group (SALGA)                                      |
| HAMIS | Health and Management Information System (Philippines)            |
| ICMA  | International City/County Management Association                  |
| IFES  | International Foundation for Election Systems                     |
| IO    | International organization  |
| IRI   | International Republican Institute for International Affairs (US) |
| IULA  | International Union of Local Authorities                          |
| LDC   | Local Development Council (Philippines)                           |
| LDRCs | Local Dispute Resolution Commissions (South Africa)               |
| LGTA  | Local Government Transition Act (South Africa)                    |
| LGUs  | Local Government Units (Philippines)                              |
| LIFE  | Local Initiative Facility for Urban Environment (UNDP)            |
| LPCs  | Local Peace Committees (South Africa)                             |
| NAFTA | North American Free Trade Agreement                               |
| NDI   | National Democratic Institute for International Affairs (US)      |
| NGOs  | Non-governmental organizations                                    |

|        |  |
|--------|--|
| NLGF   | National Local Government Forum (South Africa)                 |
| NPA    | National Peace Accord (South Africa)                           |
| NPC    | National Peace Commission (South Africa)                       |
| NPS    | National Peace Secretariat (South Africa)                      |
| OAS    | Organization of American States                                |
| OAU    | Organization of African Unity                                  |
| ODIHR  | Office of Democratic Institutions and Human Rights (OSCE)      |
| OSCE   | Organization for Security and Co-operation in Europe           |
| PAN    | <i>Partido Acción Nacional</i> (National Action Party, Mexico) |
| POs    | People's Organizations (Philippines)                           |
| PR     | Proportional representation                                    |
| RDRCs  | Regional Dispute Resolution Commissions (South Africa)         |
| RENAMO | Mozambiquan National Resistance                                |
| SADC   | Southern African Development Community                         |
| SALGA  | South African Local Government Association                     |
| SAMWU  | South African Municipal Workers Union                          |
| SANCO  | South African National Civic Organization                      |
| SDSU   | San Diego State University                                     |
| SRE    | <i>Secretaría de Relaciones Exteriores</i> , (Mexico)          |
| TGNP   | Tanzania Gender Networking Programme                           |
| UABC   | Universidad Autónoma de Baja California (San Diego-Tijuana)    |
| UCSD   | University of California - San Diego                           |
| UN     | United Nations   |
| UNCHS  | United Nations Commission on Human Settlements                 |
| UNDP   | United Nations Development Programme                           |
| UNEAD  | United Nations Electoral Assistance Division                   |
| UNOMSA | United Nations Observer Mission in South Africa                |
| UNTAC  | United Nations Transitional Administration in Cambodia         |
| USAID  | United States Agency for International Development             |

## INTRODUCTION

**A**t the start of the twenty-first century, there is a dramatic revival in emphasis on *local* democracy. This renewed interest in the principles and procedures of democratic governance at the level closest to the people is in some ways a return to the very foundations of democratic theory and practice. Direct citizen involvement is the basis of community spirit and health. It is the right of all citizens to voice opinions and grievances, and it is the duty of political leaders to be accountable in regular elections and to respond to public deliberation and dialogue. In local civic arenas, the meaning of democracy – rule by the people – is given life and form.

Around the world, there is a new appreciation that local governance is much more than city administration that collects taxes and delivers essential services such as basic education, clean water, sewers, transportation, or housing. Instead, local democracy is rightly seen as the very foundation of a higher quality and more enduring democracy. Local governance is the level of democracy in which the citizen has the most effective opportunity to participate actively and directly in decisions made for all of society. A vigorous and effective local democracy is the underlying basis for a healthy and strong national-level democracy.

This handbook offers practical tools for strengthening local democracy. It provides citizens and policy-makers with ideas and options to enhance the meaning and quality of local democracy and provides examples of how these ideas and options have been implemented around the world. The book:

- Provides *practical suggestions* for designing systems of local governance through decentralization, autonomy, and building linkages across international borders, and outlines the advantages and disadvantages of these measures;
- Details principles and policies for *managing culturally diverse cities*, and offers tools for managing ethnic conflict and promoting social reconciliation;

- Provides practical choices for *enhancing local elections and representative democracy* through electoral rules, administrative reform, and political party development;
- Outlines *options for expanding citizen participation* and offers a design model for civic leaders seeking to launch a participatory policy-making process; and
- Provides *recommendations for the international community* to assist the further development of an international policy network for the enhancement of local democracy.

### **The Need for this Handbook**

The call for a revival in local democracy has arisen in many different contexts around the world, for many different reasons. The established or consolidated democracies of the industrialized West, for example, have seen new social pressures in urban settings that emanate from the influence of globalized economic forces, increasing human migration and new cultural diversity, challenges of crime, unemployment, housing and transportation, and the urgent need to protect the natural environment. These changing circumstances have led to a review of the ways in which today's modern, heavily populated mega-cities (that is, with a population of over 10 million), most of which are in the developing world, can be governed better as well as how other towns and communities can cope with these new pressures. Although the content of this handbook is geared primarily towards today's urban areas, many of the issues addressed are also relevant to systems of rural governance.

In this new context there is a growing awareness that elected local authorities and professional municipal administrators cannot tackle social problems and economic imperatives without an extensive, structured role for non-governmental actors in civil society. Civil society groups – businesses and unions, professional associations, churches, charitable groups, and community-based organizations – now work more closely than ever with governments in ongoing, collaborative relationships and partnerships in virtually every part of the world. New emphasis is being placed on the broader concept of *governance* – involving citizens and the many organizations of civil society in the pursuit of the public good, not just on the official processes of government.

## **Managing Diversity**

Today, virtually every urban arena around the world is a diverse mosaic of peoples. The result is that new communities feature a spectrum of ethnic, racial, and religious groups. In many cities there are neighbourhoods with specific identity groups that are quite distinct from other local or national demographics, for example the Muslim neighbourhoods of Paris with many immigrants of North African or Arab origin. A similar phenomenon is in evidence in newly democratizing countries where urbanization and migration have ballooned in recent years, such as in Indonesia where rural-to-urban migration has challenged democratization efforts.

Particularly where a city features diversity and stark differentiation between advantaged or disadvantaged communities, democracy becomes a matter of successfully managing conflicting perceptions and interests through the ballot box and other democratic practice. This is especially true when the distribution of resources is at stake or in the provision of services. Fairness is an essential goal, as is dealing with sensitive cultural issues that often arise, for example, in education policies. Similarly, election contests can also become polarized along lines of ethnicity or religion. This handbook provides ways to consider democracy as a system of community conflict management.

## **Designing Systems in Emerging Democracies**

Local governance is also changing in countries that have recently become more open and democratic. Many countries enjoyed a national-level transition from authoritarian rule to democracy between the 1970s and the 1990s, especially in Latin and Central America, Eastern Europe and the Soviet successor states, and in Africa and Asia. The remarkable transitions to democracy in recent years have featured open elections, new governments, new constitutions, a blossoming of civil society and often, decentralization of power. These countries have the opportunity to design systems of local democracy anew, and many of them have taken such initiatives. The handbook includes detailed case studies of the Philippines and South Africa, where new systems of local governance have been designed; the consequences of such institutional redesign have been strongly felt.

Yet the “democratization” that occurred in recent years is often woefully incomplete. The quality and depth of democratic life is widely perceived to be inadequate, because the benefits of the democratic experiment have yet to be directly felt by many citizens, other than the ceremonial casting of a ballot. In many democratizing countries, the local level has been neglected in a narrowly focused emphasis on national-level reform, on elections for national presidents and parliaments, and the creation of new institutions and political processes in capital cities. Attention is now being turned to taking democratization further through decentralization and improved local governance.

### **Reconciling Societies**

Finally, in all world regions there are countries emerging from protracted periods of violent conflict and war. Where deep-rooted enmities remain, the basis for sustainable peace lies not just in reconstituting a legitimate and inclusive national-level government, but in reconciliation among communities and economic and social reconstruction at the local tier. Long-term, sustainable peace-building must focus on the social basis for peace at a grassroots level, by addressing the need to promote reconciliation and to manage disputes among communities-in-conflict.

Consequently, in established and developing democracies alike, there is an urgent need to reconcile the process of democracy – which can be very conflict-producing by nature – with new forms of conflict management. To face today’s challenges, local authorities need to become masters of social mediation, utilizing tools to enhance citizen participation in policy-making and service delivery. Democracy-promotion in the twenty-first century requires a strategy that more deliberately and directly addresses community problem-solving skills at the local level; this handbook suggests the elements for the development of such a strategy.

### **Enhancing Participation**

One element of such a strategy is developing a plan for improving citizen and “stakeholder” (those with a particular interest in the issue) participation. Using this approach, broadly-inclusive and consensus-based decision-making are the keys to resolving conflict. On the other hand, there are those that argue that enhanced participa-

tion can make conflict worse by raising the stakes of the issues and preventing an efficient, binding decision for the community. Participation is clearly a double-edged sword in complex urban arenas; too little and conflict occurs, too much and nothing gets done. Sorting out the methods of enhancing participation and the disadvantages and advantages of various approaches, are critical challenges in urban arenas everywhere.

### **The Aims of this Handbook**

*Democracy at the Local Level* responds to the need for a more creative, flexible approach to today's challenges by providing a review of key concepts and essential tools for fostering local democracy. The aim is to offer, in an accessible manner, specific choices for improving decentralization, electoral democracy, and direct citizen participation. Through essays from leading specialists, case studies of national and municipal settings, and boxes containing facts, statistics, and options, the handbook describes the choices available to local democracy practitioners and outlines the expected advantages and disadvantages of each option. The handbook does not seek to prescribe what may work best in every setting – sometimes known as “best practices”. Such a purpose would be as impossible as it is impractical. What may be “best” in one setting may fail palpably in another.

The experience, knowledge, and judgement of the reader is vital to deciding whether any of the options, recommendations, and suggestions are appropriate for a given community or situation. There are no standard recipes for success in promoting local governance. On the contrary, this book is designed to help citizens and policy-makers answer key questions about the design and implementation of efficient local democracy, such as:

- What objectives should guide our thinking about the meaning and purpose of local democracy?
- What forms of institutions for electoral and direct democracy should we choose and what do they look like?
- What innovative public policies and practices should we consider for handling especially difficult issues?
- How do we evaluate progress in this area?

Specifically, the aims of the handbook are threefold:

- *Education.* To serve as a tool for local practitioners and decision-makers as they seek to learn more about models and practices of local democracy gleaned from around the world.
- *Empowerment.* To assist public officials or civil society leaders as they attempt to build a better quality democracy for their communities.
- *Resources.* To provide practitioners of local governance with practical resources, new options, and methods that they may find useful in evaluating or rethinking their current participation practices.

We hope that the educational value of the handbook will be realized at various levels. *Local authorities* can learn about practices of their counterparts around the world that have worked, those that have not worked very well, and common possibilities and problems associated with enhanced participation. *Civil society leaders* can learn more about opportunities to influence public policy-making and the implementation of decisions. *Citizens* can learn about ways to voice their opinions more effectively in the communities where they live. In concrete terms, we hope that this handbook will be used in professional training programmes and in tertiary and university courses on public administration, public policy, and political science.

It is perhaps also important to point out what the handbook does not seek to do. This is not a technical manual on city management, for example on how to generate municipal revenue through debt or taxation or how to engage in detailed city transportation planning. Yet technical decisions like these do not take place in a vacuum, and they can have an important effect on the viability of democracy. Citizens need to know, and have the chance to help shape, decisions that are technical in nature but will eventually significantly affect their lives. *Democracy at the Local Level* points out not only ideal methods of improving participation, but the practical limitations of these methods as well.

### **Using the Handbook**

Readers bring their own level of expertise to the subject. The handbook is structured to help make its practical resources readily available to busy professionals at a glance. Choices are illustrated by extensive use of examples and case studies drawn from real situations. This allows readers to reflect on other experiences and to compare diag-

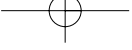
noses and designs with their own situations. *Democracy at the Local Level* organizes material in various ways:

- *Case studies* are examples drawn from around the world, often written by a leading authority on the region or topic. The case studies give texture and depth to the broader themes illustrated throughout the handbook;
- *Checklists* are designed to provide a comprehensive look at a particular option or procedure to ensure that readers have the opportunity to consider all the angles of a policy or process;
- *Concepts*. The handbook defines key concepts and offers examples as to how the concepts have been put into operation in various settings around the world. The *Glossary* provides a usable overview of major concepts in local democracy;
- *Essays*. Brief essays by leading specialists provide an overview of the major trends in scholarship and practice of local democracy in various contexts;
- *Figures* highlight a particular theme or topic, using lists, charts, short narratives or summaries of expert opinions.
- *Further Reading*. At the end of each section, a *Further Reading* list guides the reader to additional sources of information.
- *Menus* provide a list of choices or options that might be put into place in various settings, providing a discussion of the expected advantages and disadvantages of each option.

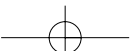
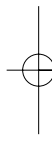
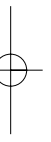
Readers are also encouraged to find additional information on democracy at the local level on the International IDEA website ([www.idea.int/ideas\\_work/11\\_political\\_local](http://www.idea.int/ideas_work/11_political_local)), including a resource directory on organizations involved in local democracy building. The site also contains an online feedback form, so that readers can share their own insights and lessons learned on the themes covered in this handbook.

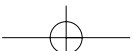
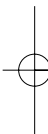
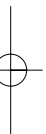
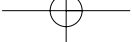
## Sources and References

*Democracy at the Local Level* draws on a wide range of sources, including scholarly books and articles, reports of organizations, and the reflections of policy practitioners. To facilitate ease of reading and presentation, the text is not extensively footnoted as in an academic-style publication. Rather, scholarship on local governance has been



synthesized in easy-to-read language. The aim is to make academic materials accessible to busy policy-makers, local authorities, civic leaders, and the broader public. International IDEA is indebted to all the authors whose work has contributed to the creation of the handbook. The *Further Reading* sections at the end of each chapter highlight some of the original sources for the material we have synthesized.





# 1. CONCEPTS, CHALLENGES, AND TRENDS

The world is experiencing an urban revolution. Today, more than half of the world's population lives in cities; by the year 2025 this proportion is estimated to grow to two-thirds. Such rapid urbanization is placing immense pressure on cities, while at the same time offering opportunities for improved health, education, and environmental management.

Globalization, too, is creating new challenges and opportunities. From increasing refugee flows to the spread of infectious diseases or organized crime, no city remains immune from the effects of globalization. Chapter One examines the new context in which local governance is taking place, and outlines the key concepts and core characteristics of local democracy. It explores:

- **Principal challenges facing local administrators today;**
- **Recent trends impacting on the quality of local democracy; and**
- **New international norms shaping developments in local democracy.**

## 1.1 Key Concepts in Local Democracy

■ *Certain concepts are critical to our understanding of local governance, among them: citizenship and community, self-government, deliberation, and civic engagement.*

Central to any meaning of local democratic governance is the concept of self-government and administration closest to the people. The essential notion is that inhabitants of a given area have the right and responsibility to make decisions on those issues that affect them most directly and on which they can make decisions. Although national defence, foreign policy, and security may affect them directly, these matters are

usually too big to be handled at the level of cities and are almost invariably the purview of national governments.

Local democracy can be understood in two ways:

- in the *institutions* of local government, such as mayors, councils, committees, and administrative services; and
- in the organizations and activities of *civil society*.

Ideally, local authorities and civil society work together in a mutually-reinforcing relationship to identify problems and come up with innovative solutions. Government is only one part of the picture, albeit an important one. The notion of civic engagement – of citizen organizations, associations, businesses, neighbourhood committees and the like – is also central to the concept of local governance.

### 1.1.1 Definitions of Local Democracy

There are multiple meanings of local democracy in various settings, and there is no single concept or model of the “best” form of democracy. At the same time, there is a general understanding about the essential processes of democratic life that apply universally.

- Democracy means that there should be *periodic (or regular) and genuine elections* and that power can and should change hands through popular suffrage and not coercion and force.
- In democracies, political opponents and minorities have a right to express their views and have *influence* (i.e., more than just achieve representation) in the policy-making process. When minority views cannot be accommodated, *opposition* should be legal and loyal and not extra-institutional and violent.
- There should be the opportunity for *alternation* in governing coalitions; that is, voters should be able to remove certain politicians from office and replace them with new leadership.
- Democracy means that there should be respect and protection for basic *civil and political rights*.
- And, while controversial, many believe that democracy entails certain *development, economic, and environmental rights* such as clean water, housing, and opportunities for employment.

A discussion of the meaning of local democracy should take into account *cultural influences* on the way people think about democracy. Some cultures may have a tradition of citizen participation, whereas in others people may be more deferential to appointed or elected authorities. The concepts explored in this handbook may

mean different things in different cultures. The principal point is that, at the local level, deeply ingrained cultural practices – such as the roles of traditional leaders – must be carefully integrated into democratic governance.

**Figure 1****Local Democracy: Key Concepts**

- *Citizenship and community.* Local community participation is the cornerstone of modern notions of citizenship because its institutions and decision-making procedures may allow for a more *direct* form of democracy in which the voices of ordinary individuals can be heard most easily.
- *Deliberation.* Democracy is more than elections. It involves meaningful dialogue, debate, and discussion in an effort to solve problems that arise in the community. Deliberation is more than listening to citizen complaints. A truly deliberative democracy is a give-and-take dialogue among all interest groups in a community about the key decisions and actions they face together.
- *Political education.* Local democracy facilitates “political education”. That is, citizen participation allows individuals to gain knowledge about community affairs that otherwise resides with elected public officials and professional city administrators. More informed and educated citizens make democracy – decision-making by the people – possible and more effective. Participation is about closing the gap between the political “elite” and members of the community.
- *Good government and social welfare.* John Stuart Mill and other advocates of participatory democracy at the local level argued that unlocking the virtue and intelligence of the populace would foster good government and promote social welfare. That is, democracy tends to enhance good relations among the citizens, building a community that is self-reliant and public-spirited.

**1.1.2 Direct versus Representative Democracy**

There are two philosophical traditions that inform two rather different concepts of local democracy. One school of thought, associated historically with Jean Jacques Rousseau, sees ideal democracy as *direct engagement by the citizen* on virtually all matters before the community. Rousseau believed that participation by all members of the community would reveal the general will of all, and that the best means of determining the general will is simple majority rule. Others suggest that today’s units of local government are simply too large for direct participation. The best democracy we can hope for, and indeed the only practical form of democracy, is one

that is representative, where citizens choose among candidates or political parties who make authoritative decisions for the entire community. Some see local democracy as the place where *representative democracy* best operates.

Some wonder in the modern age whether the notion of direct democracy is really possible, yet one sees this theme recur in contemporary philosophy and practice. Former Tanzanian President Julius Nyerere, for example, advocated a programme of villagization and *ujamaa* (community) for his country. In 1967, in the Arusha Declaration, Nyerere espoused a notion of village socialism based on kinship, community, self-reliance, co-operation, and local self-development. This philosophy envisaged economic and social communities where people live together and work for the good of all. In Nyerere's Tanzania, however, more than 90 per cent of the people lived in rural areas.

The size of a village, town, or city has always been seen as a potentially limiting factor in the realization of direct democracy. The larger the city, the less likely it is to practise direct democracy. As we will see in Chapter Five (section 5.7) advocates of Internet-based "virtual" decision-making have revived the idea of direct democracy even in today's complex social settings.

### 1.1.3 Adversarial versus Collaborative Democracy

Representative democracy implies an adversarial or competitive approach to determining what is best for society. Potential representatives must stand before the people and compete for support. In doing so, social differences and animosity are sharpened as political leaders seek to delineate their messages. Advocates of representative democracy assert that such competition among potential leaders brings vitality and accountability to political life. Others are sceptical of competitive approaches, especially those that rely on majority decision-making. Instead, they prefer decision-making structures and processes that place a greater emphasis on consensus building rather than on competing for elected offices.

Many believe that the balance has tilted too much in the direction of representative over direct democracy and adversarial versus more collaborative forms of decision-making. The focus on elections and sharp differences between policy platforms among politicians has created a distance between citizens and public officials and created heightened divisions among social groups. The consequence is that the average citizen becomes apathetic and withdraws from political life. Academics studying local governance in today's world have argued that there has been a sharp reduction in the legitimacy of local government institutions, and that there is widespread scepticism about the ability of local political parties to represent and co-ordinate differing social interests.

One indication of this public withdrawal from political life is low voter turnout. According to International IDEA's report on voter turnout, "Overall participation in competitive elections across the globe rose steadily between 1945 and 1990.... But in the 1990s, with the influx of a host of competitive elections in newly democratizing states, the average for elections held since 1990 has dipped back to 64 per cent. While the participation rate of all eligible voters has dropped only marginally, the drop in the participation rate of those actually registered to vote has been more pronounced". Although firm data is not readily available, most experts agree that turnout for local elections is much lower than in national contests. Recently, concern has been raised about the role of public opinion polls, financial contributions, and the use of consultants in shaping the public agenda, diminishing the impact of local citizen preferences and leading to cynicism and apathy.

Local political party structures are also under challenge as effective social institutions, especially in North America and Western Europe. The issues around which parties originally crystallized in Europe, for example along class lines, seem less relevant in today's world of high social mobility. This has led to a crisis of governance at the local level in some societies, and a set of fragmented structures of governance, some of which are imposed from central authorities in response to the inability of local governments to act decisively. This concern about legitimacy leads some to advocate a renewed focus on accessibility, equality, and the reinvigoration of citizen participation. As pressures for decentralization mount, these concerns are central. Inclusion and participation are essential to build the trust and accountability needed for citizen confidence in the quality of local democracy.

## 1.2 Challenges for Local Governance

■ *Managing the impact of globalization and urbanization, promoting effective service delivery, fostering social peace, and creating opportunities for employment are among the main challenges facing local democracy.*

Local arenas around the world face common problems today:

- Delivering fundamental *social services* – such as water or transportation networks – in a sustainable way;
- *Urbanization*, or the movement of people from rural areas to cities, and the pressures on the environment and on governmental capacity that this migration brings;

- *Economic vitality*, or creating opportunities for jobs and prosperity in a global marketplace; and
- Fostering *social peace* in increasingly diverse social settings, where a myriad of ethnic and religious groups must live side by side.

### 1.2.1 Service Delivery

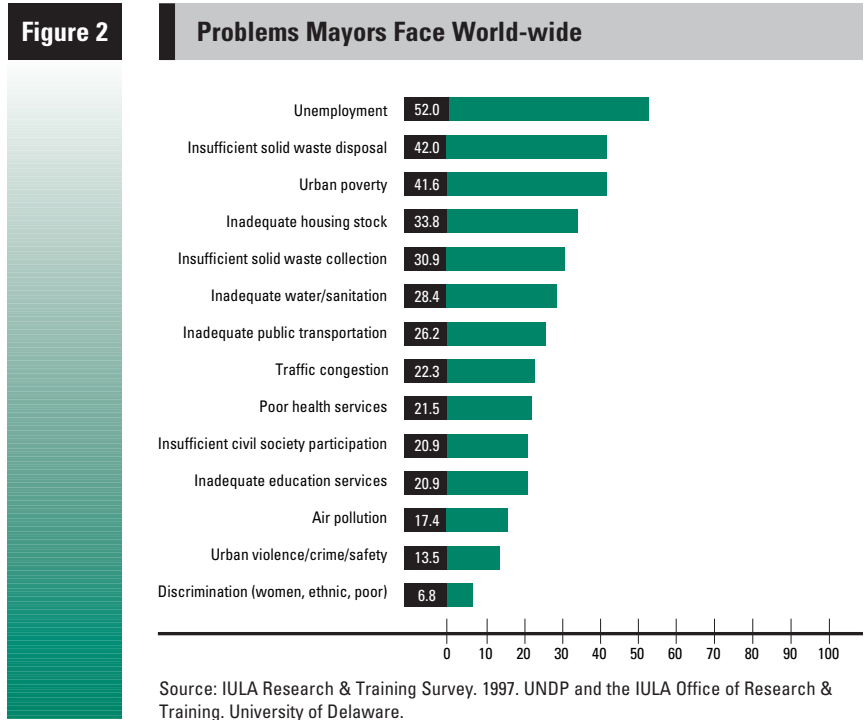
Service delivery is a core function of local government, especially those services that require local co-ordination, networks, infrastructure, or planning. Among the critical challenges for local governance in this area are:

- Crime, public or political violence, policing, and the administration of local justice;
- Education, which often involves sensitive decisions on language or culture in increasingly multi-ethnic societies;
- Environmental management and resource scarcity, especially water and sanitation (garbage collection, sewage treatment);
- Housing, especially low-income dwellings, and managing settlement patterns in a manner conducive to inter-ethnic harmony in multi-ethnic municipalities;
- Joblessness and economic dislocation, and the need to competitively position the city to attract new investment in a globalized economy;
- Health care and hospital management, especially as new forms of infectious diseases challenge the social welfare while many old health concerns persist;
- Migration, often the influx of disadvantaged immigrant communities and refugees or refugees of depressed rural areas;
- Regional issues, such as shared water and air resources; and
- Transportation, traffic congestion, and the way in which people travel from their residence to their employment on a daily basis.

In 1997 the United Nations Development Programme (UNDP) and the International Union of Local Authorities' (IULA) Office of Research & Training surveyed 151 mayors world-wide on the foremost problems they face. Mayors responded that their first priority was *unemployment*; 52 per cent identified this as the most important issue, echoing an earlier poll taken in 1994.

There were regional differences in the findings of the IULA survey. European mayors were concerned about unemployment, and traffic congestion. Few said poverty was a major problem. In Africa, however, poverty, unemployment and rural-to-urban migration were cited as serious problems that place major strains on the ability of municipal authorities to provide basic services. In North America, important concerns were urban crime, joblessness, and traffic congestion. Asian mayors cited traffic congestion, pollution, and the need for better solid waste dis-

positional systems. In Latin America, unemployment and a deterioration of health and education services were considered serious problems. Finally, in the Middle East and the eastern Mediterranean region, migration and ethnic differences were important concerns for mayors.



### 1.2.2 Urbanization

Today, more than 3.2 billion people – more than half of the world’s population – live in urban settings. This represents a twenty-fold increase in urbanization during the course of the twentieth century; and the trend shows little sign of abating.

Population growth today is occurring most rapidly in cities in the developing world. A Worldwatch Institute publication reports that population increase in developing country cities will be the distinguishing demographic trend of the next century, accounting for nearly 90 per cent of the 2.7 billion people to be added to world population between 1995 and 2030. The most explosive growth is expected in Africa and Asia. Although urbanization has positive dimensions – many great leaps in development have occurred in urban environments – the growing popula-

tion of city-dwellers also poses significant challenges. Today's cities, for example, take up only two per cent of the earth's surface but their inhabitants consume 75 per cent of its resources.

Among the serious problems that urban environments will face in the twenty-first century are improving water supply and quality, mining urban waste, transportation and land use for building better neighbourhoods. Developing countries face problems of unplanned settlement, or squatter communities, in which services and infrastructure are absent. One of the most serious challenges for local governance will be providing low-income housing.

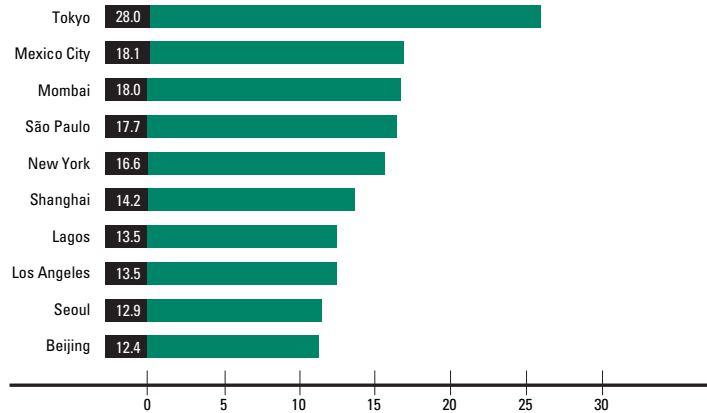
At the same time, many do not see urbanization as a problem, either environmentally or in terms of its social consequences. Arguably, cities make provision of services more efficient, allow for best use of scarce land resources, allow more land to be set aside for conservation, wilderness designation, and agriculture. From this perspective, urbanization will result in more effective governance because it will be easier to design policies that benefit the largest number of people – particularly education, running water, health care, and housing.

**Figure 3**

**The World's Largest Cities**

Projections for the Year 2000 (in millions)

In 1950, only 30 per cent of the world's population lived in urban areas; by 2000 the number had climbed to 47 per cent; and by 2030 the estimate is for 60 per cent of the population to live in cities.



Source: World Urbanization Prospects: The 1996 Revision. 1998. New York: United Nations. World Urbanization Prospects: The 1999 Revision. 2000. New York: United Nations.

### 1.2.3 Globalization

Globalization refers to the ways in which the international system has changed after the end of the Cold War in the late 1980s. The term *globalization* includes several dimensions of systemic change in the world that, among other things, directly affect the ways in which local governance is carried out.

- *Economic change.* Although the international economy is still not fully integrated, and national-level governments continue to have critical importance for economic decision-making, the economic context of local governance has changed dramatically. There is new consensus around market-based economic models, tremendous increases in international capital flows, a rapid expansion of international trade, growing influences of multinational corporations, and new integration into the world economy by countries that had previously not been involved in the global economic system.
- *Political change.* The trend toward democracy in the past 20 years has been remarkable, and it has produced a much broader international consensus on the underlying values of political systems, the processes of democracy such as elections and the importance of civil society, and principles of democracy such as participation and inclusion. Democratization in many countries has resulted in a growth in civil society – if measured in the number of NGOs – which in turn has meant that many non-official actors are involved in policy formulation and implementation.
- *Technological change.* The information and communications revolution of the late twentieth century has touched virtually every country and municipality on the globe. Greater access to information and communications has resulted in fundamental economic, social, and political change. Most importantly, it has created an easier way to share perspectives and information, and to consider direct democracy and citizen input in a manner that simply would not have been possible just a few years ago.

No city or municipal area is immune from some of the effects of globalization, which include new inequalities among and within countries, threats to the environment such as declining biodiversity, increased refugee flows in many parts of the world, the impact of new infectious diseases, and the spread of organized crime and corruption. The increased flow of information and communication, while opening up societies to the free flow of ideas, also puts pressure on long-standing social and cultural traditions. Globalization has produced social dislocation in many parts of the world that has in turn created a rapidly changing context for democracy. As Jonathan Barker asks, “What does it mean to say that a village, a development pro-

ject, or a mosque is self-governing, when the livelihoods of the participants are at the mercy of environmental change, the actions of distant resource companies and change in world market prices that in no way respond to local views or actions?”

Globalization, however, produces more than these global “evils”. It offers opportunities for new sustainable economic development, growth and prosperity, and new flows of experience and information on how to manage a rapidly urbanizing context. It also presents new opportunities to improve social relations in societies that have been divided by deep-rooted conflict. Practices and lessons learned from promoting democracy in one part of the world can be adapted and implemented in another. Ways in which some cities have dealt with the problems induced by globalization potentially can be transferred to other settings, too.

Certainly not every decision, policy initiative, or problem faced by municipalities around the world is influenced by globalization. Indeed, the pace and extent of influence on municipalities by global trends is highly uneven. Many long-standing problems and successful solutions to these problems continue without a strong impact from the new global context. Nevertheless, one of the critical challenges facing local governance is to identify innovations and successes that may be adaptable from one setting to enhance the quality of democracy in another. (See the essay on “Globalization and Local Democracy” by Professor Caroline Andrew on International IDEA’s website, [www.idea.int/ideas\\_work/11\\_political\\_local](http://www.idea.int/ideas_work/11_political_local)).

#### **1.2.4 Diversity**

Cities around the world are virtually all ethnically diverse. For some, diversity is an age-old historical pattern, as is the case of Jerusalem. Others are newly ethnically diverse as immigration across borders has increased in recent years – for example Oslo, Norway. In the United States the pressures of migration have stemmed from the push effect of the relatively poor Latin American economies and the pull of job opportunities in the United States. The result of years of migration by Hispanics into the US is rapidly changing the face of mid-American cities. From 1990 to 2000, the total Hispanic population in the United States grew from 22.6 million to 31.3 million. Hispanics are now more than 10 per cent of the country’s population. In many American cities today, the nature of racial conflict is not simply black-white; Hispanics are a significant majority or minority in most major cities now, too. The challenge of diversity and the methods of conflict management through local democracy are addressed in Chapter Three.

### 1.3 Trends in Local Governance

#### ■ *Strategic partnerships, decentralization, and the international focus on local governance are current trends shaping local democracy.*

In response to such challenges, local governance structures need to perform differently today. Traditional concerns and functions – defining community values and making public policy choices – remain, but these are shaped by new trends. These trends can be characterized by the following:

- *Who?* Today, many functions of local governance occur in the form of *strategic partnerships*, or co-operative relationships among elected authorities, the private sector, civil society, community-based organizations, and citizens. Increasingly, local authorities subcontract some functions to firms and non-profit organizations that are better equipped to implement them. This approach of assigning functions of governance to private organizations is arguably more efficient, but it raises questions about democracy.
- *How?* Increasingly, countries are *decentralizing decision-making* authority to the lowest possible level. Decentralization is led by concerns of central governments to disperse power and responsibilities, and is spurred by policies of international financial institutions, such as the World Bank.
- *Why?* There is a growing movement to define local self-governance as a *universal right*. At both regional and national levels, international organizations and multilateral groups have adopted standards for national governments to devolve decision-making to the level closest to the people as a means of giving meaning to democratic principles. These norms help shape the international obligations of countries to foster local democracy.

#### 1.3.1 Strategic Partnering

Sometimes public officials and administrators simply are unable, or unsuited, to providing certain services effectively or efficiently. In many instances around the world, local governments are entering into new strategic partnerships with the private sector and with NGOs, civil society organizations (CSOs) and community-based organizations (CBOs) to provide critical local services.

In the actual performance of services, there has been a remarkable trend toward privatization, joint public-private partnerships, outsourcing, and corporatizing of utilities such as water, electricity, waste management, housing, health care, and in some situations prison services. Two types of partnerships have rather different purposes:

- Working with *civil society*, such as NGOs, CBOs and CSOs, is one form of partnership. These partnerships are based on the premise that civil society groups have a comparative advantage in implementing policy or managing problems. They are closer to the people to be served. Local officials often serve as a funder, watchdog, co-worker, or specialist in such partnerships.
- Working with the *private sector* also involves a comparative advantage for business firms in delivering local services – such as clean water, transportation management, electricity, or garbage collection. But the foundation of these relationships is one of economics; business firms can deliver services as efficiently and more cheaply than local authorities.

While cities often see efficiency gains from such arrangements – things work much more smoothly – this efficiency may be at a loss of transparency. That means elected officials exercise less oversight over what actually gets done in a community; but, at least the service is provided. In many southern African communities, for example, municipalities rely on a regionally powerful multinational corporation – Eskom, based in Johannesburg – for their power supply. Local authorities and stakeholders may feel relatively powerless in negotiations with such large enterprises. Strategic partnering offers perils for private partners, too. For independent NGOs or CBOs, they may lose their independence and flexibility when their funding is coming from the local government, and may be less willing to take risks and develop innovative solutions to local communities if these somehow contradict local government policies.

Most analysts, however, see these partnerships as a healthy development for democracy. Pratibha Mehta of UNDP's Management and Governance Division summarizes the importance of creating participatory processes that structurally promote the involvement of civic organizations.

*Community-based organizations play an extremely important role in promoting democratic decision-making, empowering communities, building community capacity to participate, and linking communities to municipalities. There is a need for institutional mechanisms such as policies or laws that promote the formation of new CBOs and their empowerment and that formally link them to the municipal decision-making system. This would help promote the participation of the poor (often excluded in a decision-making process at any level) and would encourage self-management at the community level.*

Community-based organizations and associational life have become the glue that holds a society together. A strong civil society facilitates local democracy by:

- Delivering services, sometimes funded by private interests, that the government does not or lacks the authority or capacity to provide, particularly philanthropic efforts such as assistance to the poor or disabled;

- Articulating interests in society and advocating for social needs and reforms, through associations and self-help societies; and
- Providing technical services, such as gathering data on social problems and devising workable solutions in highly variable concepts.

In Nicaragua, for example, a specialized network for NGOs active in local governance has been created, known as the Nicaraguan Network for Local Development. It conducts civic education programmes, election projects, and promotion of women's participation. The network also has helped develop local *concertación* (collaborative consensus-making processes) in which NGOs, CBOs, and local officials search for solutions to specific urban problems.

The trends toward strategic partnering with community-based groups is found in developed countries and emerging democracies alike. Authorities who set such policies need to remember the importance of gender and age sensitivity when forging such partnerships. Many experts on local democracy argue that women, young people, and the elderly are often overlooked or systematically excluded from participation in local governance.

### 1.3.2 Decentralization and Co-operative Governance

Decentralization refers to the principle that public decisions should be made, when possible, at the level of authority closest to the people. At present, some 70 countries are implementing political reforms aimed at decentralization and enhancement of municipal governments, among them the Dominican Republic, Mongolia, Nepal, Pakistan, Tanzania, Thailand, Uganda, and Yemen. In many cases, new democracies that have only recently undergone transitions to popular rule are undertaking such reforms. Some advocate decentralization as a way to further consolidate new democracies, stressing the political, economic, and administrative benefits of decentralization to both central governments and civil society alike. The perceived benefits of decentralization to democratizing countries are:

- *Political*. Increasing the power of citizens and elected representatives;
- *Spatial*. Diffusing population and economic activities geographically;
- *Administrative*. Transferring responsibility for planning, management, revenue raising, and allocation from the central to field offices of central government, or to subordinate levels of government, or to other semi-autonomous institutions; and
- *Economic*. Increasing the efficiency of governmental management of the economy through stimulation and regulation.