Preface

The popular and oft-quoted phrase “all politics is local” is attributed mostly to Tip O’Neill, former Speaker of the United States House of Representatives. In a simple but profound way, O’Neill interpreted the critical ingredients of successful political stewardship as an appreciation for, and understanding of, parish-pump/community/locality/constituency-based politics and issues, and an ability to shape them. He acknowledged that the social and economic relations of places and spaces are not necessarily located within the immediate purview of national politicians but they should be taken into account because they have an important bearing on national politics. In his speech to the 2015 Conservative Party conference, Chancellor of the Exchequer George Osborne advocated for devolving power as a strategy for facilitating economic growth. The underperformance in Gross Domestic Product (GDP) per capita of seven of the eight biggest cities outside of London is problematized within the institutional context of the centralized nature of Britain’s governance structures. The solution according to George Osborne lies in the devolution of power to local government. The “devolution revolution” aims to create a “Northern Powerhouse” of cities from Liverpool to Newcastle, predicated on the idea that local government has the requisite powers and authority to manage actors and stimulate growth within its jurisdiction.

Clearly local politics is re-emerging as an important sphere of influence in national policy deliberations. Wherever there are perceived disparities in a country’s income-generating capacities and social and economic opportunities, domestic reforms vacillate between two extremes: centralization and decentralization. For instance, George Osborne’s illustration of the devolution of power was his pledge that local councils would henceforth retain the revenue raised from business rates, which totaled £26 billion (US$40 billion) per year. The transfer of power to local government is deemed to be pragmatic, encapsulated in Osborne’s statement:

*Attract a business, and you attract more money; regenerate a high street, and you’ll reap the benefits; grow your area, and you’ll grow your revenue too.*

The British Chancellor’s policy pronouncements in 2015 were not new. What is novel about them is that centralized administrative systems are making an about-face on the traditional perception of the subordination of subnational institutions. This is perhaps driven by the forceful impact of these institutions on national politics, rather than as a result of natural policy cognition about the value of subnational institutions. The shift in policy direction reflects the pervasive view that decentralization is the best strategy for transforming economies and societies. Therefore it might be understandable why decentralization experiments have been constant across democratic systems or have been used as a measure of democratizing reforms in transitioning states. However, unlike previous attempts, contemporary
Preface

decentralization reforms are distinguishable by the emphasis on devolution of power to lower tiers of governance structures such as regional, local, city, and community governments, or regionalization in the other direction from local up-to spatial regions. Further, there is an acknowledgement that predictable sources of funding and the delineation of powers are prerequisites for successful decentralization; critical dimensions for the process are the capacity for economic viability at the local level, with clear boundaries and some “hard power” for effective co-ordination at the regional level.

If all “politics is local,” then the post-2015 development agenda has reinforced a parallel discourse that, although it predated the sustainable development goals (SDGs), has become more vigorous, and along with domestic policies, confirms that all development is local. In other words, development is once again being associated with different types of geographies, such as regions, localities, and communities and, as a consequence, political and civil institutions are being aligned to place-making. The idea that all development is local may be interpreted this way: sustainable development efforts are necessarily linked with regional and local governments, with a local economic development strategy as a basis for enhancing placed-based economic prosperity, arresting growing unemployment levels, and improving standards of living and general welfare. Institutions have a positive role in a country’s quest for economic prosperity and development, and therefore those institutions nearest to the people are deemed to have the greatest impact in this regard. Understandably, renewed efforts to decenter governance and development strategies represent a desire to find alternative ways of resolving the problems that confront political economies.

Subnational governance and development are the conceptual embodiment of the essays in this handbook but, more importantly, they are indicative of a new paradigm in the organization and management of political economies in which the recognizable worth of geographies and socio-political relations below the center (national level) are given pre-eminence in policy and practice. Notably, governance is not “tied to a particular period of time or geographical place”; rather, it occurs at multiple levels (global, national, subnational, e.g., regional/sub regional and local levels) (Jordan, 2008, p. 21; Pierre & Peters, 2000, p. 1). Thus subnational governance as traversed in this book engages the role of power and competencies at all levels of governance and its implications for state and provincial, regional, sub-regional, and national spheres. Effective governance demands a transfer of power and competencies upward to global and national actors, downward to provincial, regional, and local actors, as well as outward to civil society actors and governmental actors on the same plane. Analysis of governance forms requires an appreciation for the dynamics of structures and actors; authority and autonomy as they occur in differing and cross-cutting spheres of interaction – vertical, horizontal and overlapping. These powers and competencies considered through the analytical lens of subnational or multilevel governance are capable of transforming our understanding of the changing nature of political and policy interactions and their implications for governing, financing, servicing, managing, and representing at all levels of government and spatial spheres. The essays in this book discuss these dimensions with strong empirical support from country case studies, providing an important resource for scholars and practitioners seeking to understand the implications of the policy issues for subnational governance. Importantly this book crosses traditional disciplinary boundaries and assists with broadening of understandings of governance.

GOVERNANCE AND SUBNATIONAL GOVERNANCE

Governance and sustainable development have similar histories (Kemp, Parto, & Gibson, 2005). Despite their wide-usage since the 1980s, they remain contested, complex, “unruly notions” (Kemp et al., 2005,
A plethora of definitions have been proffered regarding the definition of governance. Governance describes “the patterns that emerge from the governing activities of social, political and administrative actors” (Kooiman, 1993, p. 2). For Baker (2009), it encompasses “practices through which societies are governed” and includes the “managing, steering and guiding action in the realm of public affairs, especially in relation to public policy decision making” (p.1). For Meadowcroft, Langhelle, and Ruud (2012) governance refers “to the range of different ways in which the affairs of contemporary societies are ordered politically rather than just to the de-centered modes of coordination (such as ‘market-based’ or ‘negotiated’ approaches, ‘private governance’ or ‘network governance’)” (p.8). Moreover, governance is:

*a mode of social coordination...governance is how one gets to act, through what types of interactions (deliberation, negotiation, self-regulation or authoritative choice) and the extent to which actors adhere to collective decisions. It involves the level and scope of political allocation, the dominant orientation of state, and other institutions and their interactions (Kemp et al., 2005, p. 17).*

Governance is broader than government. While government centers on formal institutions and actions of the state, governance includes a range of public and private actors, as well as informal institutions (Jordan, 2008, p. 21). Scholars have demonstrated that we are witnessing a shift from government to governance; that is, a

*shift from the traditional way of governing with an exclusive focus on the nation state [government] … toward a view that societal functions and processes are performed and implemented in different ways and by a variety of actors [governance]” (Bruyninckx, Happaerts, & van den Brande, 2012, p. 4).*

Although governments remain the most significant actors in governance, as Chapters 3 (Schoburgh) and 13 (Klimovský et al.) of the book demonstrate, citizen involvement and stakeholder engagement play a vital role (Kemp et al., 2005, p. 18). For example, citizens and other stakeholders offer alternative sources for ideas and information (including Chapter 22 Velez et al. and Miller in Chapter 24), and their involvement enhances the legitimacy of policy (Kemp et al., 2005). This shift towards governance opens up a number of opportunities for the pursuit of sustainable development (see Kemp et al., 2005).

Subnational (or multilevel) governance is also a contested and broad concept which has “proceeded apace in recent years in the developed and developing world” (Bache & Flinders, 2004; Pike & Tomaney, 2004, p. 2091). Across a diverse array of nation-states, decentralization and the establishment of subnational governance seem to be a common response to contemporary economic and social issues (Pike & Tomaney, 2004). However, the reasons for pursuing subnational governance arrangements vary widely and so, too, do the meanings of subnational governance both “between and within nation-states” (Pike & Tomaney, 2004, p. 2091). Indeed, as Hendriks, Lidström, and Loughlin (2015, p. 411) explain, “[d]iscussions about the transformation of subnational governance are often highly idiosyncratic, driven by specific institutional or situational challenges in various countries”. This shift from centralized to subnational approaches has “encouraged researchers to redirect their attention from the national polity and policy arenas to that of the sub-national (i.e. state and local) level,” what Ward, Wilson, and Spink (2010, pp. 52–53) refer to as “the midrangeperspective of a polity in action.” The increased focus on regions has occurred from two directions: top down, with the shift from national to regional responses (e.g., in the United Kingdom); and bottom up, with the shift from local to regional responses (e.g., in Australia and New Zealand).
The term “multilevel governance” was originally referred to European Union interactions with sub-national governments, but it is increasingly being used about relationships between levels of governance within and between states (Hendriks et al., 2015). Multilevel governance is “a system of continuous negotiation among nested governments at several territorial tiers” (Marks, cited in Bache & Flinders, 2004, p.3). Bache and Flinders (2004, p. 3) explain:

[It]he multilevel governance concept thus contained both vertical and horizontal dimensions. “Multi-level” referred to the increased interdependence of governments operating at different territorial levels, while “governance” signalled the growing interdependence between governments and nongovernmental actors at various territorial levels.

It is noteworthy that for some the term “multilevel governance” is misleading as it is clearly “hierarchical, suggesting vertically layered tiers of authority” whereas for others the “multi-level” aspect of the concept is unnecessary and the notion of ‘governance’ is itself enough” (Bache & Flinders, 2004, p. 200).

Subnational governance can include a range of spatial entities or units. These include localities, neighborhoods, communities, regions, sub-regions, cities, and city-regions (see Pike & Tomaney, 2008) subnational actors include business, citizens and civil society groups, as well as local, regional and provincial governments (Mallik, 2013, p. 109). However, some subnational governments have been underestimated in various contexts (Hendriks et al., 2015; Ward et al., 2010). The situation is further complicated as the terms with different meanings, such as subnational government, sub-sovereign government, local government and decentralized government, are used interchangeably (Gutierrez, 2015).

Among the purported benefits of subnational governance is that it is more effective and efficient than centralized governance; it has “scale flexibility” and the ability to harness local abilities/potential; it can be more inclusive of marginalized voices; and it can enhance the transparency, responsiveness, and accountability of all levels of government (Hooghe & Marks, 2004; Mallik, 2013). It also has the ability “to capture variations in the territorial reach of policy externalities”; since the externalities that arise from the delivery of public goods differ widely, “so should the scale of governance” (Hooghe & Marks, 2004, p. 16). However, others argue that subnational governance leads to additional costs and bureaucracy, decreases trust in public institutions, poses co-ordination difficulties, and has to the potential to cause horizontal and vertical rivalry (see Mallik, 2013; Pike & Tomaney, 2004). With regard to the mobilization of civil society organizations, Hay (cited in Saito-Jensen, 2015, p. 5) warns that subnational authorities may end up promoting overly narrow interests and may, in effect, become extensions of civil society’s agendas.

GOVERNANCE, SUSTAINABLE DEVELOPMENT, AND THE POST-2015 DEVELOPMENT AGENDA

Sustainable development entered the international lexicon after the World Commission on Environment and Development in 1983, which was also known as the Brundtland Commission. The landmark Brundtland Report defined sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (WCED, 1987, p. 43). The Report focused on the principles rather than providing a comprehensive definition of sustainable development, whereby “its practical meaning will necessarily have to emerge out of an interactive pro-
cess of social dialogue and reflection” (Jordan, 2008, p. 18). Over a decade later, at the United Nations Conference on Environment and Development (UNCED) in 1992, commonly referred to as the Rio Earth Summit, the focus shifted from defining to drafting and shaping policies (Bruyninckx, 2006). The Rio Declaration articulated five key sustainable development principles: equity, policy integration (horizontal and vertical), participatory policy-making, intergenerational solidarity, and internalization of social and environment costs (Bruyninckx et al., 2012). It also stated that sustainable development comprises three separate but inter-related dimensions or pillars (economic, social, and environmental). The World Summit on Sustainable Development in Johannesburg ten years later covered major issues such as poverty, health, water, and good governance, among others. The Johannesburg Summit stressed that “the necessary efforts that have to be undertaken at all levels of governance (from global to local) in order to achieve sustainable development” (Bruyninckx et al., 2012, p. 1). The Rio and Johannesburg global summits “powerfully reaffirmed sustainable development as the overarching objective of human development internationally, regionally, and more locally” (Jordan, 2008 p. 19). However, the principles endorsed “can and often do conflict sharply with one another, hence the need for systems of governance to resolve conflicts and to arrive at coordinated policies” (Jordan, 2008 p. 20).

Despite the wave of enthusiasm from scholars, practitioners, and researchers, the definition of sustainable development has also remained elusive. Questions remain about whether sustainable development is a focus of discourse, a normative idea, a positive vision, a principle, a concept, or a “meta-policy” or “meta fix” (Jordan, 2008, p. 18; O’Toole, 2004, p. 38). Sustainable development, like other political concepts such as justice, democracy and liberty, “helps to frame and focus debate, while being open to constant interrogation and re-interpretation” (Meadowcroft, 2007, p. 300) and, similarly to governance, it “has a definite content, but is subject also to continuous debate and contestation” (Meadowcroft et al., 2012, p. 8). For Bruyninckx et al. (2012, p. 3), much of the “semantic battle” takes place with regard to how the concept is interpreted in practice.

While the debate continues, what is clearly evident is that governance matters to sustainable development. Sustainable development is “replete with governance questions” and sustainability “is being increasingly framed as a governance challenge” (Farrell, Kemp, Hinterberger, Rammel, & Ziegler, 2005, p. 143; Mahanti & Manuel-Navarrete, 2015, p. 416). As Meadowcroft et al. (2012) explain: “Sustainable development is above all about governance: about the deliberate moves societies can take to reorient their development trajectories along more sustainable lines” (p. 8). Jordan (2008) notes that “governance ‘matters’ not just a little, but a lot, in the transition to sustainable development”, but the “when, how, and why it matters remain the focus of intense scholarly as well as societal debate” (p. 18). In fact, since the Brundtland Report was published there has been increased “demand for systems of governance that are capable of putting society on a more sustainable track” (Jordan, 2008, p. 17). This is also demonstrated by the exponential growth of the number of publications with “governance,” “sustainable,” and “development” in their titles (Jordan, 2008, p.17).

In recent years the concept of “governance for sustainable development” has gained traction. Sometimes referred to as “reflexive governance for sustainable development”, it is founded on the belief “that systems of governance can and should be configured in ways that not only encourage societal dialogue, but also transform attitudes and beliefs in ways that actively facilitate sustainable development” (Jordan, 2008, p. 20). Unpacking this phrase, Meadowcroft (2007, pp. 300–301) asks whether “‘good governance’ is necessary in order to achieve sustainable development”. Or does it mean “that concern with sustainable development is one element of what it means to practice ‘good governance’”? Or, is it, on the other hand, that “governance in every social domain should now be understood as subsidiary to
some all-encompassing process of ‘governance for sustainable development’?” Ultimately Meadowcroft (2007, p. 299, emphasis in original) defines “governance for sustainable development” as the:

*processes of socio-political governance oriented towards the attainment of sustainable development. It encompasses public debate, political decision-making, policy formation and implementation, and complex interactions among public authorities, private business and civil society – in so far as these relate to steering societal development along more sustainable lines.*

He explains that governance for sustainable development has a specific society-embracing “steering logic”, with reactive and interactive dimensions (Meadowcroft, 2007, pp. 302–303). Public authorities at all levels play an important role, be they international bodies, national states, and regional or local governments (Meadowcroft, 2007). It is a two-way street: the states “provide both a means to shape ‘society,’ and a framework through which ‘society’ can influence the orientation of that shaping” (Meadowcroft, 2007, p. 303, emphasis removed). Thus, just as government remains a key actor in governance more broadly, “‘government’ is central to ‘governance’ for sustainable development” (Meadowcroft, 2007, p. 303).

Despite over three decades of research and discussions about governance and sustainable development it seems “impossibly broad” and complex (Baker, 2009, p. 1). However, given the technical, practical, political, and normative aspects of these concepts, this complexity is to be expected (Meadowcroft, 2007). Moving beyond whether the ambiguity of the terms are their greatest weakness or strength (see Jordan, 2008), it is apparent “we are dealing with discussions about how society can be steered towards an overarching social objective – promoting sustainable development – that embraces social, economic and political goals now and into the future” (Baker, 2009, p. 1).

While there are a number of types of governance, in the international development arena the focus has largely been on good governance (Biermann et al., 2014, p. 2).1 Good governance refers to “the diverse array of criteria,” including transparency, participation, accountability, respect for human rights, the rule of law, the absence of corruption, public access to information, and gender equity (Biermann et al., 2014; Meadowcroft, 2007).

Governance has gradually gained prominence in the post-2015 development agenda. The Millennium Declaration adopted in 2000 by the UN General Assembly (UN, 2002) marked the first international development framework. The Millennium Development framework included eight Millennium Development Goals, but governance was notably absent.2 However, the post-2015 agenda has signaled a turn. In the lead-up to 2015, the UN taskforce for the post-2015 agenda stated that sustainable development requires transformative change in relation to mechanisms of governance, among other things (UN, 2012; UNDP, 2014). This is in part because the current development challenges – including global economic, food, and global environmental crises – are more complex than those encountered over 15 years ago. Since this time “[t]he centrality of governance in sustainable development has been emphasized repeatedly” (Biermann et al., 2014, p. 2). For example, in July 2012 the relationship between governance and sustainable development was further endorsed by UN member states, who affirmed that governance – as well as democracy and rule of the law – is essential to sustainable development (General Assembly resolution 66/288). Also, the UNDP (2014) argued that the quality of governance plays a crucial role in supporting the three pillars of the Sustainable Development Goals (SGDs).

An emphasis on governance to achieve development recognizes governance is vital, as both a means and an end. While “effective governance institutions and systems that are responsive to public needs deliver essential services and promote inclusive growth” … “inclusive political processes ensure that
citizens can hold public officials to account” (UNDP, 2014, p. 2). In addition, citizen action and surveys demonstrate that governance is considered an important end in itself (UNDP, 2014). Perhaps “[t]he strongest endorsement of the importance of governance as a development outcome for the post-2015 agenda came from a series of national and global consultations, including a global survey that engaged the perspectives of nearly 2 million people.” In these consultations people sought a new development agenda – built on human rights, equality, security, and justice – underpinned by governance (UNDP, 2014). There was also an emphasis on the quality of governance.

For the UN taskforce the implementation of a post-2015 development agenda depended “critically, on effective governance capacities” at national, local, and municipal levels (UN, 2012, pp. 31–32). The UN Taskforce explained that “[t]he post-2015 agenda should focus on effective governance of systems for social development, ensuring universal coverage and quality service delivery that is also affordable to the most deprived groups” (UN, 2012, p. 26). They highlighted that:

Implementation of a post-2015 development agenda will depend, critically, on effective governance capacities at national, local and municipal levels, including political commitment and leadership; and on the legal and economic empowerment of people, especially those most excluded, and of their civil society organizations, to participate effectively in national and local decision making (UN, 2012, p. 32).

The priorities of the post-development era demand a differentiated approach to economic growth and development (Schoburgh & Martin, 2016). Indeed, as the UN (2012) explains:

[Stakeholder engagement and participation of all groups in society, judicial independence, access to information and freedom of expression, combined with regular monitoring based on agreed benchmarks, will together form the basis of good governance. Effective governance is also central to the systemic transformations of economies in ways that support rights-based, equitable and sustainable development (p. 32).

Much depends on the extent to which the unique conditions of geographic areas are brought into the decisional sphere, and therefore the present focus on subnational governance and development is not merely apposite, it is absolutely obligatory.

THE STRUCTURE OF THE BOOK

While there has been a burgeoning literature on sustainable development and governance – particularly at the international, national, and local levels – there remains a significant dearth of research on the complementary areas of subnational governance and development. This book seeks to fill that gap. It does so from an international perspective, drawing upon illustrations from the United Kingdom (UK) and Europe (Scotland, Ireland, England, Italy, and Slovakia), Asia (China, Bangladesh, Nepal, Pakistan, and Indonesia), Africa (South Africa, Zimbabwe, Rwanda, Uganda, Ghana, and Africa more broadly), Australia and New Zealand, North and South America (Canada and Colombia) and the Caribbean (Jamaica).

In this way, the book builds upon Sustainable development and subnational governments: Policy-making and multi-level interactions (2012) edited by Bruyninckx, Happaerts, and van den Brande, which focuses on subnational governments in Europe and North America. It also expands upon Governance,


Preface


The book amasses a collection of global experiences on the theory and practice of subnational governance and development into one volume to enrich the governance and development discourse. It has attracted contributions from academic and policy researchers who engage with diverse issues, questions and actors pertaining to subnational governance and development, which demonstrate the expansiveness and depth of subnational issues. Among these actors are development committees, municipal banks, media, business and the private sector, third-sector and non-governmental organizations, citizens, civil servants, directly elected mayors and councilors, and various levels of subnational governments. The book is intended for professionals, practitioners, scholars, and researchers working in the field of public policy and management, local and regional governance, local economic development, and community development, and it will be a useful source of policy relevant information for policy officials at all levels of government.

This book provides a range of new insights into the debates discussed above. It explores the prevalence of the rise of regionalism as one response to perceived capability gaps of local governments (e.g., Lawrie in Chapter 5) and spatially uneven economic growth (e.g., Gray and Pugalis in Chapter 2, and Jackson et al. in Chapter 6). It also interrogates the role of subnational governments as a way of responding to identity claims and strengthening the political representation of minorities (e.g., Reddy in Chapter 11, Tshishonga in Chapter 14, Ryan and Woods in Chapter 18, and Tan in Chapter 17). Further, in Part Two, the book comprehensively examines financial opportunities and challenges related to subnational governance; it explores potential models to improve financial capabilities (Grant, Woods, and Tan in Chapter 7, Boachie in Chapter 9, and Chigwata in Chapter 11), while at the same time identifying the challenges of poor co-ordination and lack of capacity.

This book addresses six key areas. Part One focuses on theories of subnational governance and development. The chapters engage with issues such as decentralization, place-based subnational development, community engagement, the third sector, and regional governing networks. There has been an increasing trend toward decentralization, particularly in the developing world, and this trend seems to be “accelerating as decentralization gains support within the international development community” (Hankla, 2009, p. 632). Decentralized programs have the ability to impact the quality of governance; they can increase accountability, improve service delivery, increase responsiveness to citizens’ preferences, strengthen citizens’ trust in government, lower budget deficits, encourage revenue mobilization, protect macroeconomic stability, and reduce regional inequality and separatism (de Mello & Barenstein, 2001; Hankla, 2008; Ligthart & van Oudheusden, 2015; Oates, 1999; Tiebout, 1956). The enthusiasm for decentralization reforms in the last few decades has led to an upsurge of research seeking to identify decentralization’s effects (Faguet, 2014). Against this backdrop, the first chapter by Ryan and Woods examines the theory and practice of decentralization. The authors argue that enhanced understanding of the concepts and theories can contribute to improved practice during decentralization, which can, in turn, be of benefit to both governments and their citizens. In Chapter 2, Gray and Pugalis focus on place-based subnational development. They touch upon another theoretical issue regarding the extent
to which social and economic policy should be “place-based” or “spatially blind” (OECD, 2011, p. 17). Gray and Pugalis identify four key conceptual strands that characterize place-based development theory and practice, including co-operation and open governance. They also analyze normative dispositions that place-based modes of subnational development could represent a viable and progressive approach which reconciles pervasive tensions between economic growth and spatial equity.

In Chapter 3, Schouborgh focuses on development committees in Jamaica, arguing that development committees have the potential to address governance deficits, create opportunities for meaningful citizenship and community engagement, and identify local priorities and solutions for community-based services; they also raise co-ordination, duplication, and competition challenges (see, for example, Lister & Nixon, 2006). In this chapter Schouborgh highlights the shift from local governance to local economic governance. Due to the lack of a cohesive policy framework, the author reveals that the effect of this shift is atomized organizational actions that engender competition among localities and communities, rather than a clear growth strategy at the local level. Next, in Chapter 4, Quinn explores strategies to involve the third sector in local government in Ireland. Quinn contends that Ireland makes for an interesting case as it depicts an example of a state-designed system for formally integrating the third sector in the reformed structures of local governance. The chapter generates transferable knowledge about the impact of nationally directed strategies to integrate the third sector with government. Finally in Part one in Chapter 5, Lawrie considers the impact of “soft power” in regional governing networks. He suggests that, in the absence of state-like mechanisms of “hard power”, the “soft power” on which regional governing networks rely in coming together will remain inferior for the task of governing.

Part Two focuses on fiscal decentralization, which involves devolving expenditure and assigning revenue mobilization functions to subnational levels of government (de Mello & Barenstein, 2001). In line with the decentralization trends discussed above, there has been a growing global trend of national governments shifting their fiscal responsibilities to subnational governments (Tanzi, 2004). Such measures aim to increase the role of subnational governments, increase efficiency in service delivery, and decrease costs (e.g., information and transaction) associated with the provision of public goods and services (de Mello, 2000; Tanzi, 2004). Fiscal decentralization is based on the public finance principle of subsidiarity, whereby arguably the public sector’s performance can be improved and enhanced by greater consideration of local differences, be they in terms of economic or social institutions, culture, environment, or natural resources (de Mello, 2000). As the authors in this part highlight, bringing expenditure projects closer to revenue sources assists with enhancing government accountability and transparency (see de Mello, 2000). However, this is not to say that decentralization “is a uniformly good policy choice” (Hankla, 2009 p. 633). Despite the increasing trend for fiscal decentralization, particularly in emerging economies, research has raised a number of issues about the purported benefits of this approach, highlighting in particular the tensions around subnational autonomy from national governments. Furthermore, empirical evidence regarding the nexus between economic growth and fiscal decentralization is mixed (Ligthart & van Oudheusden, 2015). These chapters highlight both the opportunities and various pitfalls associated with fiscal decentralization in a range of contexts.

In Chapter 6, Jackson, Nel, and Connelly focus on resource equalization in their comparison of rural subnational governance in England, Scotland, Canada, Australia, and New Zealand. Applying the Organization for Economic Co-operation and Development “new rural paradigm”, they consider the extent to which each case has the pre-requisites for governance and development of rural communities which allow for substantial reallocation of resources to integrated rural policy. They find that neither federal nor unitary forms of governance satisfactorily meet the requirements. However, Scotland, with
its recent devolution of governance, has strengthened long-standing adherence to territorial-based regional development policies. In Chapter 7, Grant, Woods, and Tan compare subnational finance in Australia and China. Against the backdrop of very distinct reforms to municipal finance in Australia and China, they examine the formation and function of two successful subnational financial institutions: the Local Government Finance Authority of South Australia and the Municipal Finance Authority of British Colombia. The authors suggest that subnational finance may not be the “thorn in the side of decentralization” as it sometimes appears to be, and argue that it specifically reflects the tension between autonomy and control between the national and local. In Chapter 8, Guarini and Pattaro use the Italian fiscal governance system as an example to consider the tensions of achieving fiscal responsibility at the national level in a decentralized environment, and the difficulties of maintaining adequate performance at the local government level. They argue that the public management perspective is helpful at a micro and a macro level to develop public policies to promote fiscal stability. The authors suggest that public policy should adopt a more holistic approach toward fiscal responsibility in multi-level governance environments. However, they note that such an approach requires a deep understanding of the determinants of financial viability of public sector organizations.

In the next chapter, Chapter 9, Boachie examines public financial management and systems of accountability. Against the backdrop of the increasing focus on improving the quality of public financial management, his contribution explores how subnational governments’ financial management can be improved and capacities strengthened. Using the case study of Ghana’s subnational financial management and accountability system, he reveals that improving public financial management leads to better quality of public services. In addition, he highlights the need for greater transparency and accountability in public financial management. In the final chapter of Part Two, Chigwata focuses on revenue mobilization. He explores the move to decentralization which has been adopted in a number of African countries, in part to improve the capacity of the state to mobilize “additional” resources that are needed for development. Focusing on revenue mobilization by local governments in Zimbabwe, he explores whether local governments have indeed managed to mobilize this “additional” revenue. The author argues that the effectiveness of a decentralization program should not be judged solely on the quality of its design, but also on the basis of the prevailing contextual environment.

Part Three examines Political-Administrative Relations. The politics-administration partnership or dichotomy forms the core of public administration (Tahmasebi & Musavi, 2011). Put simply, this is the relationship between politicians (and the public) and administrators, and the nature and strength of this relationship impact sustainable development and governance. For example, political-administrative partnerships can contribute to good governance if they are able to promote participation and trust, and respond to citizen needs. However, at times there is no clear distinction between the public and bureaucratic arena, as Batley (2004) asserts is the case in some African developing countries, where “the bureaucratic arena itself is highly politicized and interconnected with social interests; it is where power, employment and patronage are concentrated” (p. 35). Both the chapters in this section of the book highlight these issues.

Turning first to South Africa, in Chapter 11, Reddy examines political-administrative dichotomy discourse. He examines the impact of the political-administrative interface on the functionality of the post-1994 local government dispensation. The chapter critically reviews the political-administrative interface in relation to the quality of local democracy and the impact on service delivery and good local governance. In Chapter 12, Rahman explores the politico-bureaucratic dynamics within local government in Bangladesh. The chapter focuses on the way both actors perceive their roles and responsibilities, as well as their relationships with each other in local governance and development processes. The author
finds that, while politicians have been the dominant forces in governance due to their role in aggregating interests and values, the bureaucrats are just as influential, given their role as initiators and implementers of policies. He also finds that the bureaucracy is (directly or indirectly) involved in partisan politics, which negatively impacts local governance and development.

Part Four examines service delivery. The delivery of basic services such as health, education, and various infrastructures encompass a major component of decentralization. Ahmad, Devarajan, Khemani, and Shah (2005) explain that “[e]ven when it is not explicit, improving service delivery is an implicit motivation behind most of these decentralization efforts” (p. 1). They point to two primary reasons: first, states are systematically failing to provide these basic services, particularly to poor people; and, second, these public services “are consumed locally” (Ahmad et al., 2005, p. 1). While decentralization is heralded as a means of improving service delivery, there is limited evidence to validate this position (Conyers, 2007). For example, in a number of developing countries in Asia, Africa, and Latin America, research has found that “the quality of public services has either declined or remained unchanged as a consequence of democratic decentralisation” (Robinson, 2007, p. 2). It is also noteworthy that ensuring local accountability for effective service delivery “has been a perennial problem of development” (Mehrotra, 2006, p. 263).

Chapters 13, 14 and 15 engage with the three major actors in context of service delivery (UNDP, 2016, p. 5): citizens, who provide politicians with the authority to govern and expect public goods and basic services (referred to as the social contract, see Tshishonga in Chapter 14); politicians, whose legitimacy is derived from the citizens’ acceptance of their authority and who are held accountable to the public (referred to as political accountability); and public officials, who implement the directives given by politicians, to whom they are also accountable (referred to as bureaucratic accountability). As earlier chapters reveal, particularly those in Part One, the state still plays a powerful role.

In Chapter 13, Klimovský, Nemec, Meričkova, and Svidroňová examine social innovations in the public sector in Slovakia, focusing on welfare and the environment. The chapter examines the plural forms of ownership in public service provision which enable co-creation. It also identifies different types of co-creation as social innovations, and the drivers for, and barriers to, successful co-creation processes at the subnational level in Slovakia. The authors find co-creation innovations are predominantly proposed and initiated by other actors, rather than by local self-governments, and that this is contrary to the main role that local governments are believed to play in initiating the co-creation processes.

In Chapter 14, Tshishonga explores the emerging new social contract that connects government departments, communities, civil society, and the private sector through the Operation Sukuma-Sakhe (OSS) program in the KwaZulu-Natal (KZN) Province, South Africa. The OSS program was designed to expedite service delivery and development by addressing communal challenges such as poor or non-existent service delivery and lack of coordinated government programs and co-operative governance efforts. Using social contract theory, the author provides an analytical and conceptual framework to gauge the government’s commitment in delivering decentralized services through the OSS program in partnership with communities and other development sectors. The author argues that effective functioning of OSS depends on the full and equal commitment of government, underpinned by a new social contract with other departments, the community, and citizens as both recipients and agents of decentralized service delivery. Next, Buyana and Lwasa examine infrastructure governance and service delivery in Uganda in Chapter 15. The authors present the challenges faced by Kampala City in Uganda, in which even in the context of formalized infrastructure governance arrangements, non-state forms of authority and informal practices could alter the way gender determines the dynamics of local service provision in a manner
which could better meet the needs and expectations of all citizens. They argue that the macro outlook of infrastructure governance assumes that, once central government agencies have drawn partnerships with intergovernmental counterparts, followed by financing to subnational agencies, municipal authorities will be in a position to implement projects that respond to the differing needs of urban residents. They contend that this obscures the multi-layered nature of infrastructure governance at municipal level, intercepted by gender differences in end-user needs across urban sectors.

Part Five deals with political representation. Representation and participation are the core principles of local governance. Political representation which considers the system and actor dimensions:

...is primarily a public institutionalized arrangement involving many people and groups, and operating in the complex ways of large-scale social arrangements. What makes it representation is not any single action by one participant, but the overall-structure and functioning of the system, the pattern emerging from the multiple activities of many people (Pitkin, 1967, pp. 221–222).

Hendricks (2009, p. 689) explains:

New forms of representation are also emerging in the everyday practices of public policy, where the work of governing extends to expert advisory bodies, stakeholder roundtables, and citizens’ forums (Brown 2006; Hendriks 2006). All these developments have been labeled as the “new frontiers” of representation (Urbinati & Warren, 2008, 402), and yet we know remarkably little about their implications for democratic practice and theory.

Public participation, particularly women’s political participation, can improve the performance of governance. According to the UNDP (2014, p. 4) “[g]overnment processes refer to the quality of participation necessary ‘to ensure that political, social and economic priorities are based on a broad consensus in society and that the voices of the excluded, poorest and most vulnerable are heard in decision-making’”. In these terms “[r]epresentation of citizens in the management of local authority affairs should be reinforced by participation at all stages of the policy process, wherever practicable” (UNDP, 2009, p. 6).

In Chapter 16, Schoburgh resurrects the long-standing debate about the proximity of local government and democracy. The author highlights the difficulty facing local governments in the region to “vindicate their democratic credentials,” especially given a pervasive view that local governments are the final frontiers of populism and patronage. The chapter employs a constructivist framework to analyze the extent to which the popularly elected mayor, introduced in Jamaica in 2003, achieves a balance between democratic governance, populism, and patronage. The author explains that, apart from its theorized democratic role, local government performs other subsidiary but critical functions dictated by the nature of the political environment. She argues that, if democratic values are to predominate, innovations such as the popularly elected mayor and the process of municipalization require adequate and sustained institutional support to minimize competition between old and new politico-administrative values.

Next, in Chapter 17, Tan explores the challenges of local representation within the context of Australian local government reform. Tan explains that, while a great deal of effort has been expended in developing and affecting these local government reforms on an institutional level, little is known about whether councilors themselves understand their responsibility, or how they view their role within this context. She reveals that the councilors’ view of their role may not be completely in line with the intention of local government reforms, which envisage a strategic policy making role for elected members. In Chapter 18,
Ryan and Woods focus on women’s political participation in development. Drawing examples from a range of parliaments in Nepal, Pakistan, Rwanda, and Indonesia, the authors draw lessons for increasing political participation of women in subnational governance. This chapter argues for the recognition of opportunities for women in leadership and political participation, and the strengthening of democracy at the level of subnational governments.

Finally, Part Six comprises six chapters on subnational governance. In Chapter 19, Hodgson, McKinlay, and Knight focus on development trusts and foundations, suggesting that they are an alternative form of governance. This chapter examines community governance in Australia using as examples community banking, and trusts and foundations that have emerged from major public sector restructuring. The chapter considers the work of the Global Fund for Community Foundations as an important civil society contribution to subnational governance in developing countries, examining the role of foundations in building capacity and capability in disadvantaged communities through a new approach grounded in an understanding of “community governance.” The authors argue for a broadening in the understanding of governance, from what governments do to encompassing how our communities come together to shape their own futures. Next, in Chapter 20, Mupepi focuses on Africa. Drawing on collaboration and networking approach as a strategy, this chapter discusses how African citizens can present a united force and deploy peaceful demonstrations, complemented by an active media to make effective democratic changes. It analyses key historical events to facilitate an understanding of the critical success factors necessary in managing risk, uncertainty and equality in fluid post-colonial contexts.

In Chapter 21, Gatchair examines the role of partnerships and collaborations in enabling fiscal responsibility in Jamaica. The author contends that successful implementation of fiscal management cannot be achieved solely by the finance ministry’s efforts, but requires the inputs of other actors, including central government, local authorities, the private sector, and civil society groups. This chapter examines the strategic use of collaborations among local authorities and other stakeholders in the implementation of fiscal management policies, in particular revenue-raising efforts in Jamaica. Particular attention is paid to the relationships/partnerships (collaborative governance) focusing on the actors, structure, and processes in the implementation of fiscal policy reforms in local authorities. Gatchair calls for deliberate efforts to manage complexity arising from overlapping networks with unclear boundaries and fluidity in participation and leadership. Next, in Chapter 22, Serna, Londoño, and Vélez present a subnational model of governance in the city of Medellin, Colombia, based on the integration of information generated by citizens in an online news center. The authors contend that this model may lead to the basis for government action through a collective and participatory approach to problem-solving. The chapter includes an examination of news items and comments which identify the problems those citizens consider a priority.

Woods, in Chapter 23, draws attention to the importance of the public service as a key agent in the implementation of subnational governance and development initiatives. Woods provides a framework for teaching-learning and capacity-building more broadly by building on a model of decentralization implementation that gives rise to a program of training that focuses on helping public servants. The author draws upon his experience as an educator in Australia as well as contributor to initiatives in countries adopting federal systems of government in Nepal, Indonesia, and Pakistan. In Chapter 24, Miller takes us back to Jamaica to explore the major reforms to local government. The author contends that the current reform program constitutes a new paradigm of subnational governance and development, in which local government is no longer primarily a creature of central government, but rather is a vehicle for the management of local affairs, including the pursuit of local developmental priorities, with strong
Preface

participation by local citizens and stakeholders. He argues that this paradigm is critical to addressing governance and developmental challenges that currently confront Jamaica.

In conclusion, there is little doubt about the positive role that subnational political and civil institutions can play in development. That is the essence of contemporary development discourse. Herein lies the value of this book. The contributions offer new insights into place-based thinking, but also raise important implications about the responsiveness and capacity of subnational institutions. The book aims to expand the knowledge-base of alternative approaches to local, regional, and national governance and development. It exposes international experiences with policy instruments and strategies that have been deployed in the process of national development in which regional or local government leads local economic and community development efforts. It fills the void in current research and policy literature by exposing theoretical and practical ideas about the contribution that subnational political institutions can make to national development.

Roberta Ryan
University of Technology Sydney

Eris Dawn Schoburgh
University of the West Indies, Jamaica

REFERENCES


Preface


ENDNOTES

1 Biermann et al. (2014) summarize three types as follows: “good governance (the processes of decision making and their institutional foundations), effective governance (the capacity of countries to pursue sustainable development), and equitable governance (distributive outcomes).”
These goals were: the eradication of poverty and hunger, universal access to primary education, reducing child and maternal mortality and improving maternal health, promoting gender equality and empowering women, combating HIV/AIDS, malaria and other diseases, ensuring environmental sustainability, and developing a global partnership for development.