

# Governing cities

The global support for the decentralization of regional authorities has given increasing importance to city governance. But the key factors determining the efficiency of local administration are inextricably linked with the political culture specific to each city.

The issue of city governance is now on the international agenda, since over the last 10 years, local authorities have been recognized as key actors in economic and social development, and as the starting point for democratic expression by international institutions and development sponsors.

This role presupposes that local authorities are representative, legitimate and efficient in steering urban development – these qualities are the product of three elements: the local political culture and institutions; the relationship between the local level and the central government; and external constraints.

## Participating in the budget process

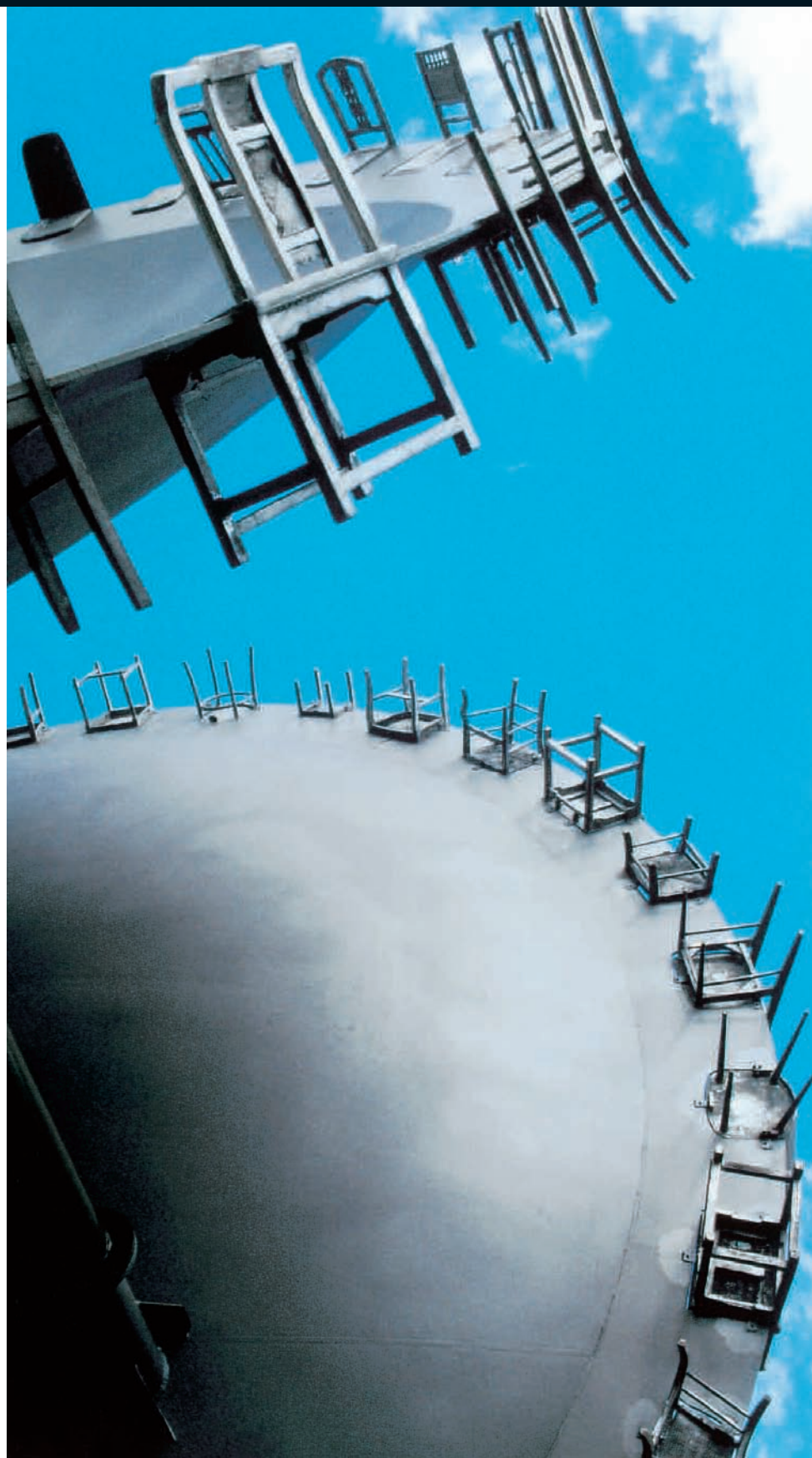


*A municipal meeting in Belém, Brazil.*

In 1988, the Workers' Party (PT) set up a tool for jointly managing the budget in Porto Alegre (Brazil). Thanks to a participatory pyramid, local citizens can allocate between 3 and 15% of the municipal budget: the first level, organized by building or by street, delegates to the second, determining the priority districts and sectors, which itself takes part in the participatory budget council with the administration and social actors. Between 3 and 15% of

the municipal budget is thus in the hands of local residents.

Some 200 towns have implemented similar experiments, with certain differences: Rio Grande do Sul has set up a participatory budget process at the State level; Belém has extended its mechanism to the City Congress; and Belo Horizonte has introduced a participatory budget for social housing. Outside Brazil, similar initiatives are found in Peru, Ecuador and Bolivia.



## Urban and political culture

Local political culture is specific to each individual tradition, region and even city, and the regional institutions – in their organization, their powers and their workings – reflect this diversity. The solidity of the political culture and of institutions is a product of history, as shown by the central role played by mayors in Latin America. Elsewhere, the very idea of local authorities is sometimes too recent for their role to have been defined or acknowledged.

The concept of local citizenship is not universal either, and civil society is not always made up of similar levels. While in Latin America, true expressions of civil society exist, allowing populations to be associated with decision-making processes, on the African continent, such expression is more a question of bypassing autocratic regimes.

Under such conditions, comprehending the way in which a city works requires an in-depth understanding of the relationships between the area administered, urban development challenges and the local political culture. Major infrastructure, drinking



*Campaign for municipal elections in Caracas, Venezuela.*

*The Human Constellation, a sculpture that symbolizes "the modern fields of dialogue and brotherly exchange between peoples", according to the artist Chen Zen.*

### Public water, despite the odds

The refusal of the population of Cochabamba (Bolivia) to accept the delegation of municipal water management in 2000 has become an international symbol for resistance to the privatization of services. After a year-long wrestling match, the service providers were forced to withdraw, with losses estimated at 50 million dollars. Today, the town's water is managed by a public company, SEMAPA, made up of seven administrators, three of whom represent the local population. Thanks to several backers, the company has succeeded in extending its network and offering social tariffs. The two service providers withdrew their claim for damages in January 2006 further to mediation by the Bolivian government.



Municipal councils in Papudo (Chili) and Praia Grande (Brazil).

water supplies and sanitation often require other levels of administration – the equivalent of river basin agencies for the provision of drinking water or metropolitan authorities for urban transport. In many large cities, authorities are thus grouped together in order to improve regional administration. Since the 1980s, the city of Bangkok has developed a regional management strategy at the city level. Since 2004, Bombay and the new town of Navi Mumbai have set up a joint area for managing the city's development issues.

The widespread emergence of cities, marked by the segregation of communities and the urban sprawl, often appears as the result of the difficulty in developing a guiding vision of development. Today, some cities are attempting to react to this trend and suggest splitting the urban area into several entities in which it would be easier to define the concept of the city and to set up a development strategy capable of guiding the action of all stakeholders concerned. This trend is especially noticeable in Brazil, which now benefits from a long experience of building decentralized forms of urban governance.

After crisis situations – natural disasters or wars – the local authorities are on the front line when it

comes to meeting the immediate needs of populations and building the future. In most of these cases, emergency approaches (rapid reconstruction, resettlement, sanitary problems, etc.) take precedence over investment in a long-term city plan. In this respect, South Africa succeeded in drawing up a vision of the post-apartheid city, a compact city. The idea was to knit the urban fabric back together by bringing the parts of the town created by apartheid closer together, organizing traffic, redistributing urban land and reorganizing activities with a view to ensuring greater diversity, following a densification plan.

### Decentralization and local governance put to the test

Over the last 15 years, a broad process of political, fiscal and administrative decentralization has begun in the vast majority of countries. It corresponds to the move to make governments more efficient in managing local affairs by associating the public sector, the private sector and residents' associations. The relationships between local authorities and the central State everywhere now tend to be organized according to this model.

Wherever structural adjustment policies have advocated reducing the role of the State to a simple regulatory one, with its financial means removed, decentralization policies can represent an opportunity for central governments to delegate part of their duties to local authorities. On the African continent, in particular, the transfer of resources needed to deal with these attributions has simply not taken place. Local politicians

thus find themselves deprived of capacities for contract management and negotiation with backers.

The regional authorities' scope for intervention is still very limited and wholly insufficient in relation to the competence granted to them as part of the decentralization process. This is especially due to the limited means available to them in terms of both their own human resources, but also those of the decentralized State services and the local public services. This competence requirement primarily concerns the management of direct management services, but also that of decentralized services. Training local officials is therefore a condition of the effective governance of cities.

Acknowledgement of cities as key actors in development has not been enough to create the conditions for their political autonomy everywhere. Their new attributions nevertheless place them in the position of key actors in all local development and cooperation mechanisms. ■

### Decentralization the Indian way

Indian cities are home to only one third of the country's population, but contribute 60% of national income. This driving role was recognized by the Indian government in the 1980s. In 1992, the constitution was amended, making local authorities – both rural and urban – the third level of government. The elected councils, in which one third of seats are reserved for women, are responsible for not only the management of urban planning, but also their financing – the transfer of responsibility goes hand in hand with a reduction in State subsidies. Today we see highly varied dynamics in Indian regions, depending on whether or not the local authorities have been able to make use of these tools.



The panchayat (municipal council) in Bidar (below) and Kasaragod (left), India.



### Webography

United Nations Human Settlements Programme – UN/Habitat  
[www.unhabitat.org](http://www.unhabitat.org)

World Bank site on public sector governance.  
[www.worldbank.org/publicsector](http://www.worldbank.org/publicsector)

United Cities and Local Governments – UCLG The Global Observatory on Local Democracy and Decentralisation (GOLD) is a web portal launched by UCLG to inform local actors about the state of decentralization and local governments across the world.  
[www.cities-localgovernments.org/gold](http://www.cities-localgovernments.org/gold)

Cities Alliance A partnership between the World Bank, international organizations, cooperation agencies in different countries and cities, the Alliance was set up to fight slums and urban poverty.  
[www.citiesalliance.org](http://www.citiesalliance.org)

World Local Authorities – WLA ALM-WLA is a database providing local representatives, decision-makers, universities and companies with brief information sheets on local governments in the different countries of the world.  
[www.almwla.org](http://www.almwla.org)

Scientific Network on Globalization and Development – GEMDEV  
[www.gemdev.org](http://www.gemdev.org)

Municipal Development Partnership - MDP  
[www.pdm-net.org/](http://www.pdm-net.org/)

International Association of French-speaking mayors – AIMF  
[www.aimf.asso.fr](http://www.aimf.asso.fr)

Online webography:  
[www.villesendevenir.org](http://www.villesendevenir.org)