

How can city strategies become destructive?

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Introduction

When I looked at the preliminary agenda of this conference I realized I will hear about a lot of innovative approaches and positive experiences. Conferences always tend to speak about positive experiences, good cases, sometimes – with minimal humility – authors even call their experiences best practices. It feels rather strange that I intend to speak about problems, weaknesses and even failures of a widely used planning approach – participatory planning of city strategies. It is important to note already at this point that all concerns raised here are related to municipal level strategies, not to participatory planning practices at neighborhood level or for small communities.

While it feels strange to focus on problems that potentially lead to failures, I do not think it is without potential benefit. Positive experiences also have their weak sides, only case presentations not always have the time for balance. Consequently, the risks some interventions and the application of various approaches entail can get neglected. Analysis of weaknesses and causes of failures can bring attention to risks that various approaches entail and to concerns about fashionable approaches.

The paper is about experiences of donor driven strategic planning practice in SEE. It is about practices that aim to introduce participatory strategic planning processes in order to assist municipalities to draft local development strategies, local sustainable development strategies or local economic development strategies. Such projects have two underlying intentions: improve local planning and strengthen local democracy. It looks intentions and objectives are politically correct. How can process still go so wrong that it produces perverse outcomes?

First, I will give a very generalized picture of the context and the usual logic of donor interventions, then I will build my concerns on the conflicts between the context and the intervention logic to show what risks can rapid, blue print driven¹ participatory planning enterprises entail. At the end of the paper I will raise four key issues about participatory city strategy process. I think all four raise issues that are also worth considering about strategic enterprises launched in happier parts of Europe.

Local strategy, leadership, participation are all fashionable themes in the debate of scholars and practitioners. Discussion on how and why can participatory strategic efforts fail can balance enthusiasm.

¹ By blue print approaches here I mean the cases when donors, consultants or the local leadership attempt to apply a strategic method that prescribes the steps, sequencing (often even the scheduling) and applied techniques for the whole strategic process. My criticism will be focused on the supply-driven application of blue prints for planning and organizing the local strategic processes and by no means entail any criticism towards the context dependent application of accepted methods in meeting various challenges or in tackling various problems

The context in SEE

The region has recently gone through a long period of conflict and political and social turmoil. While there have been significant improvements in the economy, public administration and social peace, in many parts of the SEE region, unsolved ethnic and ideological debates dominate political life, citizen apathy limits democratic progress and the capture of state and various levels of government ² present a serious obstacle to creating economic and social opportunities for all. Without progress on these fields the threat of renewed instability is still there.

With decentralization, local governments faced with new responsibilities and the 'opportunities' that should accompany increased autonomy, must tackle the challenge of *being strategic* or *becoming strategic*. This is a very different mode of functioning than the pre-transition era. It is a huge challenge for local leaders, most of whom have been used to working in vertical dependence of one-party systems, to change their thinking paradigm and practices. It renders the task only more difficult that they must confront the inertia of the existing establishment; try to change practices developed through earlier incentive systems; and fight with deeply rooted power structures.

Intergovernmental relations also work against strategic leadership in SEE. Decentralization is an unfinished agenda: responsibilities and financing decisions related to various local services are still split among government levels or mostly directed by upper government levels. In SEE the combination of the lack of local discretion and weak predictability of upper government level decisions can have a deadening effect on community initiatives.

The previous, highly centralized political structure in the region brought detrimental consequences on accountability relations as well. Local leaders were socialized to be accountable to their party and operate within relationships characterized by vertical dependence and an "upward-negotiating culture". Unfortunately, both local discretion and accountability are still weak in SEE and government capture is ubiquitous at all levels. Nevertheless, this statement does not imply that there are no exceptional local personalities willing to take leadership roles and there are no examples of effective local leadership that have encouraged community efforts to fill the gaps in public services that result from local governments lacking resources³. It only implies that local leadership is unfortunately more a question of personal ethos than of a context that creates imperatives.

² Capture of government is a form of corruption. It means when firms collude with high level administrators or politicians for their mutual benefit. The result is that impact on strategic choice decisions are manipulated for private interests. State and local government capture is unfortunately very typical in most SEE countries.

³ Noting only a few here: Strategic activities initiated at the local level, community efforts to solve and finance local services and the revival of Mjesne Zajednice (a traditional means of community governance in former Yugoslavia) activities in some of the former Yugoslav countries are paradigmatic signs of this positive process. Moreover, there are cases in former Yugoslavia where serious distrust in government was overcome by community initiated projects implemented in partnership with local governments that brought tangible results in improving the quality of life for citizens.

Positive experiences can be reported from other SEE countries as well. In Tirana, Albania the introduction of infrastructure and community facilities in rapidly growing informal settlements outside of city originated from community initiatives with NGO support. Smaller municipalities in Bulgaria, such as Svishtov, have also been

How things go wrong?

Donor involvement in general

In most cases, when a donor decides to launch a program on strategy drafting designers start by drafting a methodology that is detailed enough to give security to funders that they know what kind of process will be sponsored and allows the design of a list of distinct activities, a specific time line and tangible result targets. Usually the municipalities where the methodology will be applied will only be selected afterwards. This is logical from the project design perspective: first I must know what I offer and the “willing local partners” can only be recruited on the basis of the offer. Often the local partners are recruited only when the financial resources are also available for the project implementation. This is logical again as commitment can be greatly encouraged by financial lubrication. Thus, the supply driven project can start.

The supply driven process looks perfectly logical from the perspective of project management, but is this an equally logical process if viewed from the perspective of the participating municipalities? As the context, conditions and needs of localities are different, this process would be adequate to effectively utilize resources only, if two conditions were true. On the one hand a variety of options should be available and accessible to all municipalities. On the other hand such professionally mature leadership should be in charge of municipalities who can make good choices from the offers. For making a good choice the local leadership should understand the underlying value sets that donors import, the applicability of the methodologies, their potential risks and benefits and should also be able to estimate the implementation time need in their specific locality. Obviously, neither of these conditions is true in SEE (in most cases).

Beside the lack of choice and the problematic nature of the import of values has often been raised. I only add that the imported value sets are often not even transparent to recipients. The pre-determined methodology and the pre-determined time schedule are equally problematic. As long as the designer does not know what barriers to communication, agreement and cooperation have to be dismantled in order to launch a strategic process, what kind of learning can lead to strategic thinking and what do stakeholders bring to the negotiating table that can block agreement and cooperation, it is unrealistic to plan either applied methods or the duration of the process.

Lack of time resulting in unbalanced participation

The time given in most projects is not enough to establish balanced participation in a region where civil society is weak and unorganized, government capture is wide-spread and there is no or little tradition of inclusive strategic planning. Instead of a pro-active effort to make all

successful in developing municipal-level strategies that in addition to larger capital investments and programs promoted and funded community-based initiatives that are part of the annual investment program.

groups involved and capable to represent their interests, the local leadership is given a short time to determine actors directly involved in the process and invite their participation. These invited actors are then claimed to represent all important groups. This practice can hardly be termed participatory. It resembles more to corporatist planning. However, as I will discuss later, in absence of a mature web of institutions and civil society organizations the corporatist planning model is not applicable. The solution brings the risk of unbalanced representation, the strengthening of government capture, biased results and perpetuating injustices.

Lack of data and analysis

Most projects in SEE confront the problem of lack of relevant data. From our angle here the most problematic fact is that most available data sets are either national or municipal aggregates. Analysis focused on macro data neglects the spatial clustering of groups, activities, resources and services. Aggregate figures hide many dimensions of the problems inequalities and deprivations. In this light it is a startling fact that the overwhelming majority of the Local Development Strategies and Local Economic Development Strategies have been elaborated without any serious spatial analysis and there are no maps and space schemes in the majority of Local Strategy documents produced during the last years in SEE. This is especially true for donor driven projects that in most cases operate on short deadlines. At this gathering one does not have to explain that lack of information on the distribution of groups, activities, services and planned interventions is impermissible. In the specific context of SEE one must emphasize that lack of spatial analysis in strategic planning also means that many aspects of injustices remain hidden, un-realized by the wider public and excluded from public learning and debate.

Lack of time for the inception of a strategy

The time frame is also problematic as changes have natural incubation time. In most cases the imported method of planning and the cooperative process is in contrast with earlier working practices. Time is needed for the new practices to settle and new working relations to stabilize.

Often the parachuted experts conclude in new ideas about the future. This can be good news, but time is needed for the accommodation of new ideas on the political agenda and for building agreements along the new goals. The inception of the strategy on how could goals be implemented and what exactly could be targeted in the direction of strategic goals could come only as a next step. However, the project schedule cannot wait. At the pre-determined time a document must be produced that can be reported to sponsors. As a result a document is produced and the project is closed. In most cases the document includes some broad goals and is essentially a long list of potential projects that could be implemented in an ideal context and using resources completely incomparable with available resource dimensions⁴. I will come back later to the potential consequences of such 'strategies'.

⁴ The wrong dimension of financial resource need is the most obvious, but most plans are also unrealistic when compared to organizational, management or legislative capacities.

Need for tangible results

In most cases the “tangible result” reported to sponsors can only be the strategy document. The problem is that the goal of the strategic process is not the document but the learning, cooperation, agreement and ownership by local governments and civic leaders. All of these factors are key in order to create a sustainable process.

In the worst situation, in order to have a good strategy document, parachuted consultants write its text. In these cases, both the project managers and contributing experts leave the process at the point of adopting the strategy. There is little incentive to see if the desired future outlined in the strategy occurs in the forecasted timeframe. Therefore, after reporting the “result” the team moves to a new locality like a traveling circus and presents the same show according to the same choreography.

One more step

After this short and selective list of weaknesses⁵, it is time to build some more general discussion on key dilemmas related to the participatory city strategy process. With these dilemmas I try to establish connections between experiences in SEE and the rest of Europe. I will use the SEE experiences to build arguments on shocking outcomes that can clearly speak for study and re-consideration. At the same time I think that similar concerns can be raised in some cities of the EU as well, where various weaknesses of representation, political arena or strategic process design can entail similar conflicts, even if to a very different degree.

Balanced representation or misused corporatist planning?

All donor-driven strategy projects in SEE promise balanced participation. Do projects really fulfill this promise?

During the last decade we have witnessed many experiments at the local level that introduced various techniques encouraging direct participation in decision making. At neighborhood level it is easier to establish direct participation of citizens. Though no one would doubt that various groups and neighborhoods in a municipality confront very different problems, interestingly, there are much less examples of participatory city planning that attempt to involve neighborhoods or vulnerable social groups located in specific areas of the city⁶.

⁵ More detailed analysis of weaknesses and suggestions for improving interventions in Pallai-Driscoll, 2005 and Pallai, 2006.

⁶ This statement does not imply that there are no such initiatives, but efforts of reviving MZ involvement in former Yugoslav countries and valuable projects that attempted to organized neighborhood level participation in various countries, or work with vulnerable groups within communities, are the rare exceptions.

In city level strategy processes the most common forms are when various representative groups are involved in the process. (e.g. local strategy projects invite local business and civil society organizations or, LED projects involve various business associations) This is a logical choice as it is much easier to work with already established groups and the decrease of number of actors involved reduces complexity and need for effort and time. However, can such approach lead to balanced representation in SEE? Or it produces a 'corporatist planning scheme'⁷ with questionable impact?

Let me raise some important concerns about the applicability of this corporatist logic in SEE. The first, and major concern, is that political and social conditions in SEE are very different than the conditions in countries that successfully apply the corporatist planning scheme. We should very seriously think over, whether this model is applicable at all in absence of a sophisticated web of institutions, representative organizations and strong civil society?

Secondly, corporatist models carry indigenous weaknesses. Results often work against fiscal discipline and the compromise among the represented interests tend to orientate towards distributive and compensatory policies and work against pro-growth policies. Moreover, involvement seriously declines when available resources decrease. The most frightening experience in developed countries is that "interests of constituencies and social groups that are not involved tend to be neglected" and the outcome frequently is "inequalities between members of favored organized interests, on the one hand and other social groups, on the other hand". (Priere, 1999: 382-383) This sounds so familiar from the concept of government capture leading to more inequality, the problem so ubiquitous in SEE. Is this not frightening in SEE?

Let me add one more suggestion to the earlier general statement. We should not only very seriously think over, whether the corporatist model of participation is applicable in transition situation, we should rather try to find strategic approaches that evolve from transition problems and potentials. Moreover, I also dare to suggest that review of strategic enterprises from this framework could raise concerns outside of SEE as well.

Whose strategy?

Even in good cases where participation works, agreements are built and the result is a city strategy that could have an impact on future course of events, it remains questionable whose strategy was drafted?

It is not without potential conflict that there is an elected local government that, in principle, represents the community and the community is involved in planning the city strategy. The normative problems related to participatory mechanisms in representative democracy have been widely discussed in recent years in the theory of urban governance. (Kalusen-Sweeting,

⁷ The corporatist planning and governance model supposes the existence of organized interest representation and builds policy deliberation on the results of the bargaining process of these groups. It is typical in small countries of Western Europe that are characterized by strong etatist tradition, high degree of political involvement and strong voluntary associations. Even in these countries corporatist planning is primarily applied in distributive sectors. (Priere, 1999)

2005) The generally accepted conclusion is that this conflict can be solved by the definition of clear process and domain for consultation and by establishing legitimate links between the deliberative arena of participation and the representative decision making arena within the municipality. (Haus-Heinelt, 2005: 25) Strong and highly professional local leadership is needed in order to exploit benefits from participation without losing on legitimacy of representation. With reference to the previous concern on balanced representation we can say that, in principle, such a leadership can also secure that even those interests become factored in decisions that were not represented in the deliberative arena. (Hambleton, 2002)

However, in SEE such leadership is rare and democratic institutions are underdeveloped. Thus, conflict inherent in the parallel application of deliberative and representative mechanisms and it can produce startling outcomes. In SEE where politics is still dominated by big picture issues and characterized by the minimal share of issue based debates in political discourse, voters in most cases do not vote on programs. Local political arenas are often dominated by power or ethnic groups. The absurd situation can easily be produced that participatory planning brings results that are in conflict with plans of party platforms in local assemblies. Is there a chance that assemblies happily embrace the results of participatory planning after donors leave? Or, do they remain bound to the local context of parties and interests that brought them to office? Whose strategy will finally impact implementation?

The other specific dilemma in SEE is that generally intergovernmental relations are not rule based and predictable. As city strategy is a comprehensive approach to improve life of the community, a large share of the implementation tasks are beyond local resources and competencies. In many cases even the key areas are beyond local control. Nevertheless, the ones controlling these areas in most cases are not involved in the strategy drafting. Who and how can be responsible for implementation?

Obviously, in stable, developed western democracies these questions could not have been framed with such explicitness. Nevertheless, there are cases that also share some weaknesses, even if not on the same extent. Therefore, these dilemmas might raise some aspects of participatory city strategies that are worth for consideration in these happier countries as well.

Strategy or wish list?

For me being strategic means to know the direction and being capable to steer the events in that direction. The role of a city strategy is primarily to pull stakeholders in such directions and to a possible extent agree even in some procedures for the road to be traveled. Noble goals alone are not strategies, as viability of any strategic enterprise can be explored only through the iteration of among goals and means available. As I mentioned earlier most of the donor-driven strategic projects arrive only to some broad goals and long list of potential projects that could be implemented in an ideal context and using resources completely incomparable with available resource dimensions. In absence of a strategy the concluded participatory process does not orientate selection of projects for implementation. Such a document remains a wish list and can hardly be termed as a local strategy.

There are three major problems with wish lists. The first is that the production of long project lists does not demonstrate any conceptual shift. Similar lists were prepared in communist time in order to multiply chances for lobbying for resources at the central governments or in party headquarters.

The second problem is that screening of ideas cannot happen in the absence of a strategy. The long list of projects creates unrealistic expectations of stakeholders. When these promises are not kept, accountability and trust suffer together with lost opportunities in terms of management reform and coordinated planning.

The third problem with such a document is that the long list, in absence of a strategy that can guide choices, legitimizes all projects that are included. Such a list facilitates biased selection of projects by incumbent power groups, as decreases the need for further argumentation. Such a process can easily contribute to the perpetuation of injustice.

Debates in urban studies tend to focus on process quality. My experience on drafting, assisting and evaluating municipal strategies in various countries of the post-communist region led me to the conviction that adequate process and quality “strategy outputs” only together can have strong influence on the course of future decisions and events. Weak, unfocused documents, weakly integrated plans, overly broad agreements not only fail to set directions for the future course of events, but often even prepare the ground for bias. In the overwhelming majority of failures of city strategy processes the absence of clear strategy and weak integration of results in administrative procedures are the two key determining factors.

A participatory strategic process resulting in a wish list instead of a strategy is counterproductive. It blurs clear accountability relation of the representative system without bringing in substantial knowledge, citizen empowerment or strengthened trust in local democracy. It must also be noted that participatory processes often conclude in wish lists instead of strategies not only in SEE, or the transition region, but far beyond as well.

Is more participation really better?

Since interest shifted from local government to local governance reform in recent years, debate on participation is centered on legitimacy. The degree and room for direct participatory mechanisms is less discussed, as it would be self evident that more participation can only improve local governance. (Haus-Heinelt, 2005)

Let me raise two last concerns about participatory city strategies in SEE. The first will look at the risks direct participation can bring and the second on applicability of participatory planning when faced with the challenge of radical change.

Direct participation is based on a very noble concept of citizen – “citizens debating public issues on the agora”. “Citizens have an awareness that goes beyond their own sphere and are concerned to ‘influence’ public decisions which affect the local communities’ quality of life.” (Burns at all, 1994: 51)

I already raised some of the normative problems associated with non-representative community involvement within the system of representative democracy. It was also mentioned that some of the problems “may be alleviated if ‘voice’ in participatory deliberation and joint policy implementation is combined with ‘vote’ in decision taken in representative bodies. (Kalusen-Sweeting, 2005: 217) In reference to SEE, let us here go one step further.

It has also been acknowledged that “paradoxically, direct democracy can threaten citizens’ rights” (Lowndes, 1995: 168) “Participation (...) is perhaps most valuable in context of a strong and vibrant representative democracy”. (Lowndes, 1995: 169) This is surely not the case of SEE. Sophisticated leadership and democratic mechanisms are not in place in SEE. Still, donor programs completely neglect normative concerns and make little attempt to avoid abuse.

Hoggett (Hoggett, 1997) demonstrates that in practice community involvement can be a vehicle for dominance of powerful groups. In SEE where ethnic conflicts have not been buried yet, this feature can easily make the process prone to ethnic dominance as well.

The second point is whether participatory process is useable to draft change? The participatory strategy process introduced to transition countries is based on approaches and practices developed for the planning game of stable, western democracies. This means mostly situations of transformative change meaning a slower pace and non-structural changes where the focus is justly put on the quality of the process. However, reform strategies, or the first local development strategy within a decentralized context is not a smooth transformation of old ideas. In the transition period most strategies target radical change – structural reform or new strategic orientation for cities. In these cases key determinants for effectiveness are somewhere between the creative process of strategy drafting and applied leadership modes.

Can there be a conflict between process and product orientation? Can abrupt conceptual shifts be the product of participation and wide-based communicative learning? Conceptual shifts are creative, they break the learning curve and their implementation is often a radical enterprise from the part of the leadership. Contemporary planning debates diverted attention from the creative act of strategy drafting and from the often necessary aggression in introducing conceptual shifts. The weakness in conceptualizing and framing the change and/or the use of transformative leadership mode in an attempt to implement change can also easily lead to failure.

Closing

I focused on donor driven strategic processes in SEE: I wrote about rapid, blue-print-driven processes that could often not establish balanced participation and could not produce strategies that had strength to orientate subsequent course of events. Moreover, they brought the risk of even more biased decisions and more captured government.

The strong involvement of donors and the level of government weakness and citizen apathy are surely specific to the SEE region. However, time constraint, limitation of efforts, the force of planning routines, weakness of vulnerable groups to get involved and the belief that participation can only make strategies better is not region specific. Thus, I might legitimately think that some of the dilemmas raised should also be raised in other cities, though the extent might be different.

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