

# Editorial

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Most of the contributions to this sixth issue of the Commonwealth e-Journal of Local Governance cluster around the core issue of decentralisation and the role, financing and performance of local government in a decentralised system of government.

Donna Chiarelli provides an overview of the potential role of local governments as agents of development. She discusses the Position Paper on Aid Effectiveness and Local Government adopted by the World Council of United Cities and Local Governments at its annual meeting in Guangzhou, China in November 2009. The paper seeks to give voice to the local government perspective in the continuing deliberations on aid effectiveness, and to foster moves towards better incorporating local governments into the design and delivery of development programs and processes.

In an interesting counterpoint, Franklin Odoom suggests that, on the available evidence from Ghana, that local government expenditures are *not* inherently pro-poor and their actions may not be geared to improving the lives of local people. He therefore questions the validity of recent calls for greater decentralisation in developing countries in general and Africa in particular.

Ron McGill tackles the same issue in a different way, by setting out a framework to measure more accurately the performance of local government in making a difference to development outcomes, as well as to build local capacity in a systematic way. He identifies essential building blocks that must be in place before local government can deliver effectively.

Matthew Allen and Zahid Hasnain extend the discussion with a wide-ranging – albeit preliminary – assessment of local-level decision-making in relation to development planning and, especially, the allocation of state development funds in Papua New Guinea. They ask why PNG has performed so poorly with regard to basic social indicators and service delivery despite its fortunate resource endowment. The evidence points to major shortcomings in the political culture and decision-making processes, resulting in examples of chronic dysfunctionality in local governance and administration of development funds. However, these problems are by no means uniform and further research is needed to understand local and regional differences.

Brian Dollery and Albert Wijeweera, writing about Australia, and Jude Okafor discussing the Nigerian experience, present parallel accounts of central (in both cases state) governments limiting local government's financial autonomy and hence capacity to deliver infrastructure and services. Dollery and Wijiweera examine the system of 'rate-pegging' (capping) in the state of New South Wales. They discuss the rationale for rate-pegging and counter-arguments on its desirability, and identify a number of deleterious effects. These include a substantial 'dampening' effect on local government's financial capacity and undermining the democratic bedrocks of 'local voice' and 'local choice'. However, given the system's political popularity, significant change appears unlikely.

Jude Okafor considers inter-government financial relations and the financial autonomy of local government in Nigeria. He focuses in particular on the operation of the State Joint Local Government Account (SJLGA), through which federal funds are intended to be transferred to local governments within a

framework of coordinated and co-operative administration. This mechanism is intended to reflect accountability and transparency in local governance within the principle of separation of powers and the rule of law. Okafor finds, however, that the reality in Nigeria indicates the opposite: state governments interfere with the financial autonomy of local councils, and further, divert SJLGA funds for their own purposes, contrary to the constitution. This has greatly hampered the developmental efforts of local government in that country.

Terry Parker presents a more optimistic scenario in his account of efforts over the past six years to rebuild the institutional legitimacy and service delivery capacity of Honiara City Council, the local government of the capital of Solomon Islands, following the period of national instability around the turn of the century. He explores the important linkage between delivery of equitable basic services and the potential for prevention of conflict – or reconciliation – and concludes that on the evidence of Honiara, local governments are well placed to underpin social stability through effective leadership, good governance, proactive community engagement and concerted efforts to improve quality of services and life across the population as a whole.

Uttam K Roy and his colleagues provide a case study of the related need for effective and appropriate training of local government managers, in this case middle managers of the Kolkata Municipal Corporation in India. They describe a training program delivered to around 450 staff that focused on ‘attitudinal’ changes towards their service delivery responsibilities. For historical reasons, knowledge, skills and attitudes amongst officials of Urban Local Bodies in India have been traditionally of a low standard: managers need to be re-oriented in leadership, team building and communication skills to facilitate better services for citizens.

Jade Herriman and Emma Partridge also discuss an education issue – environmental and sustainability education provided by local governments in New South Wales, Australia. Their paper outlines the main types of programs being conducted by councils, and the target audiences. It highlights the very wide range of activities and approaches that are evident in the councils studied. This diversity indicates that councils *are* seeking to respond to the particular needs of their community, but the lack of a prescribed or preferred ‘palette’ of activities means that it is fairly resource intensive for each council

to develop education programs ‘from scratch’. Also, there is perhaps a lack of clarity about the appropriate scope of environmental and sustainability education, such that some councils try to be ‘all things to all people’ with very limited resources at hand.

Anne Sharp and Katherine Anderson offer another perspective on community engagement. They detail a new model involving establishment of online panels of citizens that are then used for consultations and research on a range of local government issues over time. Their paper sets out the rationale behind the panels, steps involved in their establishment, and what the most effective recruitment methods were to build panel membership. The model’s ability to recruit a wide audience of citizens as members, including those who would not normally participate in local government matters, is examined, as well as citizen expectations of the panel and satisfaction with being a member. The results of their research demonstrate that online panels can be used effectively in the local government context as a vehicle for consultation and research, and can be sustainable in terms of continued participation and high levels of citizen satisfaction.

This issue concludes with two very insightful book reviews. Jill Symonds and Brian Walliser review *Local Government and Metropolitan Regions in Federal Systems*, edited by Nico Steytler (McGill-Queen’s University Press, 2009). This is the sixth volume in the series *A Global Dialogue on Federalism*, published on behalf of the Canada-based Forum of Federations ([forumfed.org](http://forumfed.org)) and the International Association of Centers for Federal Studies ([iacfs.org](http://iacfs.org)).

Roger Wettenhall offers a wide-ranging review focused on *Finance and Governance of Capital Cities in Federal Systems*, edited by Enid Slack and Rupak Chattopadhyay, (McGill-Queen’s University Press, 2009), and also published for the Forum of Federations. In particular he acknowledges the pioneering work in this area of federal studies by another Canadian, Donald Rowat, who edited *The Government of Federal Capitals* nearly forty years ago.