

Participation and the Case for Open Society

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*As reforms and advances have been made across the breadth of post-communist states, public participation has become a word often associated **with** strategy and policy making on the local level. However, public participation may become no more than rhetoric among administrators who prefer to rely on the “experts” rather than listen to the voices of community people. This article asks what can be done to enhance public participation's status within the open society agenda.*

[Ed: Joined with a box on Urban COURSE:]

In this paper I write about the relation of participation to local leadership and strategy. By

local strategy I mean the agreed solution for complex challenges, like local development, area development, rehabilitation, etc. While I truly believe that choice among service options and users' assessment of various services are also important means of participation in the local policy process, my focus in this paper is on the other trend in local participation: the one that encourages public dialogue and community thinking about local strategies. My question in the paper is why this second trend of participation, the one embedded in the concept of governance, is less common in our region (CEE and SEE).

My starting point is a paradox that you often confront when you work with local governments in CEE and SEE: in talks and discussions local decision-makers widely acknowledge the importance and necessity of wider stakeholder participation in the local strategy process. Statements that you get in short talks are, in general, politically correct and reflect the values of open society. However, when you scratch the surface by initiating discussions on some real life challenges or actual situations, the results are very different. If you go one step further, and you look at the landscape of practices, you will find little evidence that the same decision-makers implement in their practice the values they have just declared.

The “lessons” that the “average decision-maker” has already learned

I often teach/hold local strategy, policy, and diversity management trainings for LGI and also for other clients in the region. In all of them, the role of stakeholder participation in the policy process is a crucial theme. During the last few years, decision-makers participating in my trainings could always easily compile a good list of reasons why we establish participatory policy processes. They usually state with an air of confidence that stakeholder participation

helps adjust policies to the needs and aspirations of stakeholders, enhances ownership and commitment, helps leverage resources, and strengthens capacity for implementation and monitoring, and so on. The rapidly assembled lists would fill any innocent observer with satisfaction: yes, decision-makers learned the first important lesson on the importance of stakeholder participation in the policy process.

However, the nice feeling suddenly would evaporate after the next question: how much do you use participatory methods in your local strategy process? The short answer to this question is usually: “Not too much.” The longer answer is a litany¹ of why they are not in the position to encourage more stakeholder participation.

The obstacles that the “average decision-maker” sees

Many decision-makers blame citizen apathy for the lack of participation. They claim that when public forums are organized, citizens do not show up, or if they do, they only complain about their narrow problems and do not understand the scope of the meeting.

The initial venting of stakeholders’ frustration is a normal feature at the beginning of a participatory process, especially if the partners do not have a previous history of working together. The process must be designed and led in a manner that turns this negative energy of frustration into a positive energy of communication, trust, and cooperation.

¹ A repetitive list of complaints.

The other type of bad experience decision-makers report is that some loud voices, representing only a fragment of stakeholders, capture the event and distort results. In our transitional societies, where civil society and organized mechanisms for representing people's interests are weak and sporadic, rapid processes that only reach out to the already organized interest groups logically lead to the representation of only a fragment of the stakeholders. Such processes can easily lead to biased results. Still, in most reported participatory cases this limited and biased outreach is the practice.

Both scenarios can obviously be the result of weak professional skills in mobilizing, organizing, and managing participation. The sad fact is that both can easily produce perverse results and work against just outcomes.²

Not only decision-makers, but civil servants often equally lack the skills and experience for organizing participatory processes. They usually blame the local politicians for the lost opportunities. They complain about "bad local politicians." They claim that local politicians are involved in short-sighted, competitive political games. Communication for them is a tool to make deals or to sell ideas in order to win support. They do not "waste" time, energy, or money to establish and sustain democratic dialogue. They lack aspiration to become "local statesmen" working on a better future for the community.

The connection is rarely made or realized that a weak civil society with large, excluded population groups is the other side of a local community led by "bad politicians" and

² For a more detailed explanation of this statement see: Katalin Pallai: "Dilemmas on LED strategies", *LGI Brief*, Vol 7. No. 1. (2006 Spring) pp.18-24.

manipulative, one-way communication. This is the pattern of a closed society³ reproducing itself in a vicious cycle that somebody has to break, somehow.

The crucial problem is that it is tremendously difficult to break this cycle as the players (or rather the “condition” of the players) are solidly knit together. On the one side sit the groups of unaware, uninformed citizens who do not realize they could and should hold local politicians accountable for responding to their aspirations. On the other side are the politicians who, on the one hand, think they know what people need and who, on the other hand, are not obliged by the system to find the time, energy, and courage to initiate more democratic processes. All associated “costs” of a democratic dialogue would not even pay off within the given system where mandates are for four years and re-election often depends on other factors than local improvements. One sad conclusion is that, without changing the “condition” of and for players, participatory projects supported by external funding will remain only short episodes in the history of the localities.

Some drawbacks that more sophisticated analysts could add

Besides the local technocratic tradition of leadership where decision-makers think they know what is best and therefore seriously limit communication on policy, unfortunately, there is another pool of factors in the countries of our region that hinder effective stakeholder participation in the local decision process. Both central governments and donors often set up incentives systems for local governments that work against serious strategy making and

³ For more on the difference of closed and open societies see: Karl Popper: *The Open Society and Its Enemies*. Routledge (1945, reprint 2006), and George Soros: "The Age of Fallibility", *Public Affairs*, 2006.

participation, and it seems that the EU-funding-related mechanisms only reinforce these wrong incentives.

Before the times of local independence, the local governments were de-concentrated units of the public administration. Duties were decided in the center and resources for improvements arrived through vertical channels built on project-based decisions. Local leaders were expected to give “managerial leadership” for the delivery of local services. They could lobby for resources when opportunities opened, doing their best to demonstrate the local need for a given project. The typical goal of a local leader was subsidy maximization, and his routine was to make individual deals with other decision-makers at higher levels in the public administration. A transactional leadership⁴ based on a shorter-term horizon was the effective approach of that era. For such a leadership approach, wide-based local agreements on aspirations, strategy, or community commitment for implementation was not needed, as the solutions for local issues were found not in the community, but in the external subsidy gained through the project-based lobbying. Investments were perceived as “gifts”—no local opinion, no comment or criticism was encouraged. In such an era there was no need for strategy and community involvement in planning. What is more, agreed strategies and commitments would have stalled? undermined? subsidy maximization.

⁴ The terms and the contrasting of transactional of transformational leadership was first discussed by Burns. The term transactional leadership is used for the old approach where leadership is conceived as an exchange (e.g. pay, favors, feelings) Transformational leadership has an approach with a longer, wider focus. Transformational leaders strive for bonding instead of bartering. The focus is on building common vision and empowerment through higher levels of motivation and morality. For more on the difference between transactional and transformational leadership see James MacGregor Burns (1978): *Leadership*. New York: Harper and Row, and for the relevance to local politics see: Robin Hambleton (2005): “Leading localities: rethinking the agenda”. In: Haus, M.-H.Hubert- M.Stewart ed: *Urban Governance and Democracy: Leadership and community involvement*. Pp. 190-215. New York: Routledge.

The fatal problem in our region is that the actual mechanisms of donor support and EU funding keep this wrong-headed tradition vividly alive.

Project-based donor support is in most cases supply driven—the donor has a project idea and looks for local governments who want to take part. The local government can decide whether it grabs the opportunity, or not. Unfortunately, in most cases only the direct costs and benefits of the given project are weighed and not the opportunity costs, or whether the project diverts attention and energy from issues that would be a higher priority for the community.⁵

EU project funding is a bit better as, in theory, project proposals must be supported by complex strategies for the development of the locality. However, the resulting practice is not much different: when opportunity for a certain type of project is announced, local governments rapidly assemble local strategy documents that can support the desired project proposals. Instead of the long process of building shared visions and agreed strategies, “umbrella documents” are assembled quickly that “cover” the project proposals. In the perception of the technocratic, transactional leaders, shared views about the desired future or commitment along a community strategy would present inertia and limit flexibility for subsidy maximization. “We need project funding, and not strategies” is often the absurd but typical answer of many decision-makers who would-be-participants in my own local strategy courses ask their local governments to pay their tuition fees. These statements clearly reflect a minimalist version of managerial leadership focused on a narrow and technocratic concept of service delivery.

⁵ More on this in Katalin Pallai-John P. Driscoll (2006): “The challenge of strategic planning in South East Europe”, paper prepared for the Regional Conference of LGI/OSI, Antalya. (www.pallai.hu)

How much decision-makers do not think in terms of community leadership, strategy, dialogue, and community building is reflected in all courses where I ask the question, “Who has a local strategy?” In answer, decision-makers often proudly declare that they have more than one strategies in stock! I think this is indicative of the situation where, instead of shared local strategies, unserious “strategy documents” are produced for legitimating various project proposals.

Instead of working with the community and agreeing on common goals and priorities for a better future, the usual question local leaders formulate is brutally simple: “Do we want more money for investments in our services?” This question might sound logical in the framework of a technocratic managerial leadership. However, on the basis of a wider world view, it is misleading, as more money does not necessarily mean more local prosperity in the long run. More subsidies can also become the source of failure. If the investments are not for real priorities, they are only short-term gains for the politician who cuts the ribbon at the opening ceremony. The local contribution to the investment cost and the operating costs are financial liabilities to the community. They entail expenses that could be disbursed on real needs and priorities, if the stakeholders had the opportunity to agree upon real priorities in a participatory strategy process.

Besides its narrow concept of service delivery, there is another problem with the surviving tradition of technocratic, transactional leadership: its perception of stakeholders is often severely limited and it often leads to partisan politics⁶ and exclusion.

Many local leaders do not conceive themselves as the “leaders of the place,”⁷ i.e., leaders responsible for all members of the community. Transactional leaders can neglect huge groups, because they do not count benefits as “transactions.” The concepts of community cohesion and sustainable development hardly fit within this mental framework. It is my sad experience that most leaders of our region can easily imagine development while leaving large groups behind, excluded from opportunities. As an illustration, I tell an anecdote from one of my recent executive city leadership and strategy trainings. After five days of cases, debates, and exercises on strategy drafting and participation, we worked on the case of a local government in an area where, in addition to traditional and prosperous population groups, approximately 25 percent of the population was poor, and often deprived of opportunity. During the fifth day a senior local decision-maker finally formulated the question that was tacitly underlying long debates on participation during the previous days: “Should we really involve the poor (poor large families and pensioners) and deprived (Roma) groups in the local strategy process, when they can hardly add anything?” This blunt reality—still a question for leading decision-makers whether they can carry out local strategies exclusively for the affluent—made me

⁶ Partisan politics here is used for the politics that is focused on the representation of the interests of own supporters. It will later be contrasted to “resolver politics” whose aim is to resolve conflicts through mutual empowerment. For more on these types of governance strategies see A. Scott Bollens: “Managing Urban Ethnic Conflict”. In: Robin Hambleton, Hank V. Savitch, and Murray Stewart ed: *Globalism and Local Democracy: Challenge and Change in Europe and North America*. Pp. 108-124. New York: Palgrave MacMillan 2002.

⁷ For more on leadership of place: “The Politics of Place”. London: Leadership Center for Local Government. 2006.

shiver. At the same time, I was happy that during the five previous days we had built such an air of trust that the question finally could be asked, and thus subsequently openly discussed.

All the points above aim to show that beneath the surface survives a winner-take-all mentality, and actual incentives often reinforce old approaches of project-based, “transaction politics.” They reinforce a narrow concept of managerial leadership in local governments and work against the evolution of community leadership and a governance-type role for local governments. They divert attention from democratic dialogue, community building, and sustainable development. As long as transactional leadership is the prevalent culture, random cases of participatory processes may be reported, but they hardly become the rule, as within the system of transactions stakeholder participation remains an unnecessary cost or a liability.

The source of the paradox, or the concept that has not yet been grasped

I have one explanation for the paradox: although leaders can easily repeat the arguments they heard about stakeholder participation, they have not understood the underlying concepts. The foundations are missing: what could local autonomy offer, what are the principles of an open society, what does inclusion, integration, sustainable social peace, or community leadership mean?

Local independence should mean that communities work on their own future, on what direction they want to go and how. They can decide their strategy to improve the life of the community, and if community members agree, then they will contribute to the extent they can. This is an effort with a long-term horizon. It is an effort that necessarily entails communication, and participation in the decision-making—a democratic dialogue.

Stakeholder mobilization along common goals and strategies can be achieved in open societies where all opinions are valued. Where, instead of the short-term barter games of transactional leaders, the new leaders are committed to facilitating the societal learning and agreement processes in order to resolve conflicts of values, aspirations, and interests. Such processes need community leaders who perceive themselves as transformational leaders⁸ or resolvers⁹—a leadership approach that undertakes the long journey of convening meetings, integrating all the stakeholders, and working on bonding instead of bartering. For such leaders, stakeholder participation in the policy process is intrinsic and unavoidable.

What can urge leaders to shift from transactional, partisan leadership to transformational community leadership? It seems that the actual incentives produced by the context do not push them in this direction. Then, only their own personal values and convictions could.

For seriously embarking on participation, one must embrace the basic values of an open society and sustainable development. A belief in a society that is inclusive, pluralistic, and open to alternative points of view, and that recognizes the benefits of diversity, is the basis for dialogue that can facilitate the finding of just solutions.

What could be done?

First, we have to face reality: in our region important dimensions of leadership have not widely changed during the last decade. A transactional local leader whose thinking still skew

⁸ Form more see on transformational leadership see more in Burns (1978) and Hambleton (2005) cited in the footnote above.

⁹ On resolver leadership strategy see more in Bollens (2002) cited above.

toward subsidy maximization can easily agree to make a short, one-shot participatory project but will likely misunderstand the essence and will not maintain or institutionalize the mechanism.

If we believe in the value of local democracy, democratic dialogue, and participation, we must work on leaders to understand what open society and modern community leadership means. Help them to understand transformational community leadership. Leaders must learn more than the first lesson of listing borrowed reasons for participation. They should understand open society, democratic dialogue, and implement it through an institutional framework that can accommodate substantial community involvement and manage participatory mechanisms. If a shift to a new type of political leadership is ever to happen in our region, it will first happen in local governance where issues and politicians are the closest to citizens.

What could a philanthropic organization committed to the cause of open society do to help make this happen?

It should attempt to change more and more leaders' views. At this stage, I think, advocacy of the open society agenda should mean the translation of its principles to practical consequences and field work. To the dissemination of mainstream intergovernmental and local management mechanisms, we should add analysis of how these tools impact inclusion and deprivation, and whether they contribute to or work against the open society agenda if applied in various contexts. Research has shown that some generally acceptable management tools can have a perverse impact if applied in certain contexts.

A philanthropic organization committed to open society could also disseminate skills and tools in order to implement these values more effectively, and offer examples, through demonstration projects and their dissemination. {Ed: Out? This is an intrinsic comment on LGI, not OSI... Inappropriate...]

The good news is that LGI has been actively doing this in many of its projects. The underlying concept of both the urban management courses and MMCP trainings offered by LGI is a policy process that encourages public dialogue and inclusive community thinking in order to improve the work of local government and build trust in public action. During LGI training courses, we have been working hard on encouraging deeper understanding, by offering forums for discussion and applicable tools and examples to implement the values we are convinced of.

Can this produce change?

I think it can, and I support this statement with an anecdote: Recently I met the vice mayor of a leading Hungarian city who is an alumnus of one of my private city leadership courses. “It looks like I am deeply ‘infected’ by the values and ideas you offered,” he told me jokingly. “But I am also in trouble since I came home, because I initiate things others do not yet understand.” His “trouble” is our success. And I hope that he and other alumni will “spread the infection” to still others, creating a multiplier effect that disseminates our agenda to community leaders and civil societies everywhere.