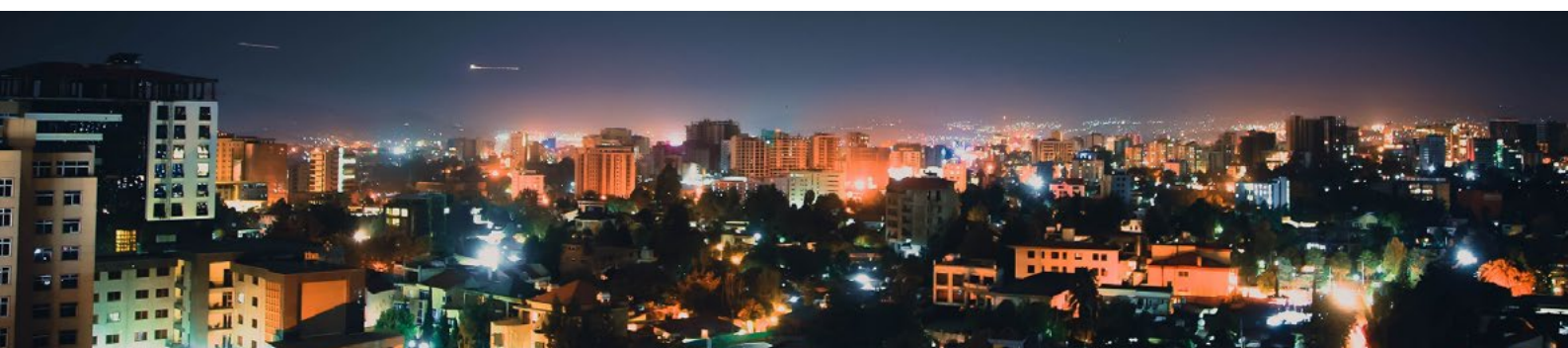




NEWSLETTER

February 2020





EDITORIAL

Local authorities under pressure: Main challenges in urban and rural areas

When mayors from across Europe come together in Strasbourg at the Congress of the Council of Europe and start comparing their experiences, you are left with the feeling that there has never been a worse time to be a mayor. In our debates about working conditions and the problems finding people to stand for office, the message comes through loud and clear – elected office at local and regional level is not what it was. The anonymity provided by social media has resulted in an upsurge of hate speech and threats against local public figures, who are now expected to respond in real time to every local issue that reaches the headlines.

At the same time, especially in rural areas, the mayor remains a key public figure that people turn to in times of need. A mayor will spend

So the main challenge, especially in many smaller and more remote local authorities, is simply to exist. But there are other challenges specific to the so-called rural areas.

In Austria, where I come from, over 40% of the population are classified as 'rural', although in Austria you are never far from an urban centre. But for many Europeans the experience is very different. The Europe that I work for, is far bigger than some of us realise. While the majority of Council of Europe member States have now joined the EU, more than 80% of the territories of the Council of Europe still lie outside of the EU, and for many of our citizens, rural poverty and lack of access to basic services is a stark reality.



much of his or her time dealing with problems and issues that never get onto the agenda of a council meeting. And when they do convene council meetings, some of our mayors report that many of their councillors have little understanding of the issues on the agenda, since they too are fully occupied with other issues.

Recent events, bushfires in Australia, melting glaciers in Iceland, remind us that we are custodians of the land. In rural areas, you are more aware of the land changing and you feel more helpless, further from where the decisions are taken. The reindeer herders of Lapland tell us that their traditional herding lands are threatened not only by



global warming, but also by commercial mining interests. There is a growing suicide rate, the young people leave to pursue their studies and do not return.

When we talk about 'rural' and 'urban', we assume that we know what we mean, that these are two opposing and easily identifiable categories. Wrong! The world has changed very quickly in a short space of time. There are many different shades of rural and many shades of urban and many overlaps. What makes the difference is not so much how many trees or sheep you can see from your window as to how far you are from the nearest bank, hospital or university. There is an increasing population that is both rural and urban, which moves effortlessly between the two.

One challenge for local authorities that has been with us for too long and refuses to go away is equal access to public services resulting from urbanization, as rural areas lose a critical mass of both taxpayers and service users. This has long been a mantra for us, but we are far from achieving it. The more remote the region you live in, the longer you will need to travel simply to get cash or to refuel your car, not to mention getting adequate access to schools and health services.

A unique feature of the European territory is its high concentration of national borders – nowhere else does such a high proportion of the population live in border areas and this has resulted in a uniquely high

density of cross-border working. This is another challenge for local authorities, since local public services often depend on remits from the working population, and when they commute across a national border the public services do not always follow – one reason why the latest Congress report, on the 'Fair distribution of taxes' has aroused so much interest. The mayor of a large city in Europe has just called on the authorities across the border to provide 2,000€ in compensation for every transfrontier worker who commutes from his territory. This is a burning issue that is not going to go away. Similar cross-border taxation issues also arise between local governments in the same country as a result of increased labour mobility, not only between countries but also between urban and rural spaces.

It is my hope that LoGov, a project bringing together the Congress and 17 other partners, will shed light on some of these issues and, in bringing a better understanding of some of these issues by all parties, will help the decision-makers to identify policies that can improve the cohesion of our territories.

Andreas Kiefer

Secretary General of the Congress of Local and Regional Authorities of the Council of Europe



What is LoGov and what is it for?

What is the impact of increasing population movements from the countryside to cities and towns on the provision of local public services? How can urban and rural local governments cope? How do they finance these services in times of urbanisation? Does the merging of smaller local governments really entail efficiency gains and how do other solutions like inter-municipal cooperation fare in comparison?

These are only some of the questions that the LoGov project seeks to answer. What they all have in common is their growing urgency as a result of fundamental demographic changes that grip countries across the world. The phenomenon of urbanisation sparked the emergence of metropolitan areas, on the one hand, and the depopulation of rural areas, on the other. According to World Bank data, between 1960 and 2017, the share of rural population worldwide fell from 67 to 45 per cent. The demographic challenge of urbanisation brings along a wide variety of social challenges, including, for instance, ageing rural populations, and causes political challenges such as increasing disparities between local authorities in terms of their political leverage and financial resources.

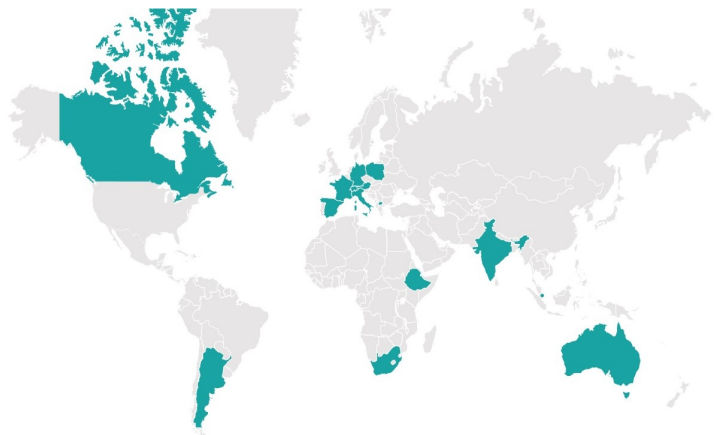
These trends inevitably entail lasting changes in the interplay between urban and rural areas, which prompted us to launch the LoGov project. It is our ambition to provide solutions for local governments to address this changing interplay and to strengthen collaborative research through staff exchange between the project partners. LoGov identifies, evaluates, compares and shares innovative practices that cope with the impact of changing urban-rural relations in five major local government areas:

- Local responsibilities and public services
- Local financial arrangements
- Structure of local government
- Intergovernmental relations of local governments
- People's participation in local decision-making

Our research on local government practices in all five of these areas benefits from the – in many respects – diverse partner institutions that join forces within the LoGov project. The multidisciplinary nature of the consortium, combining expertise in public law, political science, public administration and economics, enables us to look at local government practices from multiple angles. With 18 partners from six continents, LoGov's comparative research can draw on a wealth of different experiences and a truly global exchange of knowledge. The fact that academic partners are complemented by local government associations and consultants, facilitates the uptake of the project results by local policymakers and guarantees that the project is fine-tuned to the needs of these stakeholders. It is therefore our hope that the research conducted over four years, in as many as 17 countries will make lasting contributions to local government in challenging times.

Karl Kössler

Senior Researcher at Eurac Research and Coordinator of LoGov





Work Package 1

Local responsibilities and public services

Alexandra Schantl
KDZ – Centre for Public Administration Research, Vienna, Austria
Seconded at the Council of Europe, Strasbourg, France

Five weeks in Strasbourg – I must admit that I was excited and felt somewhat pioneering being the first secondee from my home institution. And indeed, there are several insights and lessons to report from my secondment to the Council of Europe's Congress of Local and Regional Authorities. This was my host institution from among the 18 LoGov partners, which range from A like Addis Ababa University to Z like ZELS, the North Macedonian Association of Local Governments.

In hindsight, I can say that the stay exceeded my expectations. Working with the Congress in Strasbourg, close to Europe's heartbeat and in an international environment, was not only inspiring but also gave me an opportunity to get in touch with local government representatives from across the continent. The secondment also established the basis for enhanced further cooperation between the KDZ – Centre for Public Administration Research and the Congress. In particular, the insights gained and network created, benefitted my work concentrated on Work Package 1 of the LoGov project. Both the expertise of the colleagues from my host institution and the extremely rich research resources of the Congress with its numerous publications, resolutions and recommendations related to local governments very much facilitated my work on the dossier, highlighting local government practices

in Austria. As one practice that I worked on dealt with regarding local public services concerning public transport, I was surprised to experience a good practice of inter-municipal cooperation and cross-border mobility first-hand. Going by tram from Strasbourg in France to Kehl in Germany I learned that this tram is jointly operated by both cities.

Furthermore, the timing of my secondment was ideal because the Congress started exactly at that time to focus on the UN Agenda 2030 for Sustainable Development and its implementation at the local level. This is a topic that I am very much familiar with from my work at the KDZ in Vienna and also a crucial issue for LoGov, especially concerning the provision of local public services. Thus, an exchange of knowledge occurred that proved beneficial for both sides. At an in-house seminar for the Congress staff I presented and discussed my perspective on localising the UN Sustainable Development Goals with a view to the LoGov project.

Last but not least, one lesson learned for the road: the key for successful secondments is openness and active networking which creates added value not only for the secondee but also for the host institution and the sending institution. The result is then a win-win-win situation.





Work Package 2

Local financial arrangements

Francisco Velasco

Instituto de Derecho Local, Universidad Autónoma de Madrid, Madrid, Spain

Secondee at the University of Western Ontario, London, Canada

Between July and September 2019, I was in London, Canada as a secondee at the Center for Urban Policy and Local Governance of the University of Western Ontario (UWO). London is a comfortable city, although from a European perspective rather spread out over a wide area, which makes using a car almost essential for daily life. In my case, since I found an apartment in the center, I could move around by bicycle. The concept of local public transport is different from that in Europe, as are other aspects of local government. The welcome at UWO was excellent, especially by Martin Horak, our LoGov partner. Not only did they provide all means necessary for me to carry out my research, but Martin scheduled several highly interesting interviews with experts in local finance issues in Canada.

This made the stay very useful for the progress of our research within Work Package 2 of the LoGov project. Based on previous research conducted by my team in Madrid concerning financial transfers, I became familiarised with the Canadian experience in this regard. Particularly useful was the opportunity to analyse the Ontario Municipal Finance Partnership, that is the political instrument determining which municipalities receive transfers from Ontario's provincial government. A large share of my research time was dedicated to framing the specific financial issues in the general context of local government in Canada, both from the legal and political perspective. Summing up my comparative research at UWO, I gave a talk, in the framework of the postgraduate

studies program of my host institution, on the differences and similarities of local government in Canada and Spain. This comparison focused, in particular, on local autonomy, tiers of local government, local finance, internal structures of government and forms of local democracy.

From my own experience as a secondee I learned several lessons that seem to me more generally important for our future secondments within the LoGov project. I realised how important it is, for a truly productive exchange of knowledge, to dedicate considerable time to understanding the host country's local government system as a whole, that is beyond the specific practices that are the subjects of each Work Package. In addition, it is very useful to interview university colleagues and local government practitioners. While nowadays academic papers and statistics are practically accessible from everywhere, nuanced perspectives on very concrete local government problems can only be learned about on the spot.

In sum, my experience at UWO was therefore very positive, to the point that we are currently planning two more secondments of members of my research team in Madrid to London. After the return from my own stay there, I benefitted from the newly acquired knowledge by writing an article comparing the Canadian and the Spanish system that will be published in the peer-reviewed journal *Revista de Estudios de la Administración Local y Autonómica*.





Work Package 3

Structure of local government

Yilkal Ayalew

Center for Federal Studies, Addis Ababa University, Addis Ababa, Ethiopia

Secondee at the Institute of Federalism, University of Fribourg, Fribourg, Switzerland

After coming back to Addis Ababa University, I am happy to write a few words about my experience as a secondee in LoGov project which, among other things, allowed me to see Europe for the first time. I found my host country, Switzerland, as well as my host institution, the Institute of Federalism at the University of Fribourg, very fascinating. During my stay, I benefitted from the rich resources in the library and from the support through colleagues of the Institute of Federalism headed by Prof. Eva Maria Belser.

The secondment in Switzerland enabled me to focus on and deepen my research on local government, in particular the structures of local government, which is the topic of Work Package 3 of the LoGov project. I gained extremely invaluable insights during my in-house seminars on my preliminary research findings both from the colleagues at my host institution and from the team of Ximpulse in Bern, the second partner from Switzerland within the LoGov consortium. I found it interesting to compare the splitting of local governments in Ethiopia with mergers in Switzerland. In many cases both these practices of impacting on the structure of local governments seem to be driven by

elite interests and informal networking which relegated the criteria set by legislatures and/or mechanisms of public participation. All of which has been useful for my work on the LoGov dossier collecting and analysing Ethiopian local government practices.

Moreover, I have learned from my stay in Switzerland that the urban-rural interplay and tensions between these areas are hugely important in Europe too. The topic also attracts the attention of researchers in Ethiopia. In fact, in Ethiopia there is grievance as a result of the expansion of urban areas at the expense of the land of peasants, which is an irreplaceable source of their livelihood. With the exception of livelihood, which seems to be likewise based on farming in European rural areas, other features of course differ significantly from those in my home country. For example, in Ethiopia it is hard to get equal infrastructure and facilities in rural areas compared to urban areas, which appears to be less of a problem in European countries. I am grateful to the LoGov project, my home institution and my host institution in Fribourg for giving me this chance to participate as a secondee and to study two contexts and systems of local government that are quite different.





Work Package 4

Intergovernmental relations of local governments

Michelle Rufaro Maziwisa

Dullah Omar Institute, University of the Western Cape, Cape Town, South Africa

Secondee at the Institute for Comparative Federalism, Eurac Research, Bolzano/Bozen, Italy

My secondment at the Institute for Comparative Federalism at Eurac Research in Bolzano/Bozen was a great opportunity to engage with the institute's staff, a number of visiting researchers and Prof. Lucas González, fellow LoGov secondee from Argentina. I attended various in-house seminars including one presented by Dr. Karl Kössler and Greta Klotz on Italy's situation concerning local government and intergovernmental relations, the topic of Work Package 4 of our project. In order to facilitate an exchange of expertise on this issue I presented the case of South Africa in another seminar. In such a warm environment (sun and people), it was easy to engage with the broader community, such as meeting with Prof. Eva Maria Belser from the University of Fribourg, another LoGov partner, to understand how local government is embedded in intergovernmental and external relations.

I was surprised to learn that Italy has 7,914 municipalities, 14 metropolitan cities and 80 provinces, whereas South Africa only has 257 municipalities (8 metros, 44 district and 205 local). Furthermore, it astonished me that the Council of Municipalities of South Tyrol, an advisory body composed of the local government representatives of this autonomous province, guarantees territorial and linguistic balance. Also interesting was that some South Tyrolean cities are categorised as such, purely based on their historical status and may even

have less than 1,000 inhabitants, whereas in South Africa, demarcation is primarily based on building viable and inclusive economies. By contrast, I found similarities between Italian local governments' involvement in intergovernmental forums such as the Conference of the State, Cities and Local Autonomies and the workings of South African mechanisms for the same purpose. In both cases, their limited power to influence the decision-making of the subnational and national government levels remains limited. All these comparative insights and the academic support from Eurac colleagues helped me to look at the South African case from a different perspective. This facilitated the drafting of the dossier with local government practices from my country regarding local government and intergovernmental relations, one of the main tasks during my stay in Bolzano/Bozen.

Socially, I enjoyed hiking, watching sunsets over the Dolomite mountains, 'real' pizza, pastas and gelato! Overall, it was a wonderful experience – feeding the mind, body and spirit. Many thanks to Prof. Nico Steytler and Prof. Jaap De Visser from my home institution, the University of the Western Cape, and to Prof. Francesco Palermo and Dr. Karl Kössler from my host institution for making this possible. A big thank you to everyone who welcomed me at Eurac Research for making this a fruitful and memorable experience, and everyone back home for your valuable support!





Work Package 5

People's participation in local decision-making

Martina Trettel

Institute for Comparative Federalism, Eurac Research, Bolzano/Bozen, Italy

Secondee at Ximpulse, Bern, Switzerland

The LoGov project gave me the opportunity to spend two months in Bern, Switzerland, as a secondee at Ximpulse, a private company of independent consultants who support stakeholders in constitutional and political reform processes. The great variety of topics that Ximpulse works on and its vast experience from numerous reforms around the world, created a very stimulating environment for me to deepen my research on democracy and citizens' participation at the local level. Colleagues at Ximpulse provided me with all the resources that were necessary for my research studies and I had the great opportunity to hold two in-house seminars. Having one seminar at the beginning of my stay and one at the end, was ideal in order to fine-tune the research program for my secondment and to wrap it up.

Quite evidently, Switzerland is the perfect place to analyse all things related to the involvement of citizens in policy-making processes, especially at the local level. In fact, most Swiss municipalities do not have a quasi-legislative body (*Gemeindeparlament*) made of elected representatives. For someone who is used to representative institutions at all levels of government, this can be very misleading. In small

and medium-sized municipalities citizens are, instead, invited to take part in the local assembly (*Bürgerversammlung* or *Gemeindeversammlung*) twice a year where policy initiatives are presented and voted on. Citizens participating in the assembly can, not only vote, but can also advance proposals on their own or advance counterproposals to previously presented initiatives. In simple words, citizens are the holders of sovereignty and exercise it through direct decision-making.

I was lucky enough to take part in one of these assemblies, in the municipality of Bollingen, and it was a very exciting experience. Three hundred people gathered in one room and, for about three hours, the executive board of the municipality presented all issues related to the administration before citizens voted on each point. Some issues were very much debated, especially budgetary issues, while others found unanimous agreement. From my Italian perspective, this experience was, like the secondment as a whole, a great occasion to see local direct democracy in practice and to widen my knowledge about how public decisions are undertaken in another European country.





WP1 “Local responsibilities”

Germany – Municipal Housing Companies

To ensure adequate housing opportunities for their populations is a key responsibility for many local governments but affects each of them differently. While the crucial challenge is in rural areas, to create an attractive living environment and stem outmigration to cities, it is for urban municipalities to address the significant shortage of affordable housing opportunities. In Germany, meeting both challenges are a core task of municipal housing companies. But are these effective in what they are doing, and could the creation of joint housing companies of urban and rural local governments be a good way forward?



WP2 “Local finances”

Canada – Reliance on Property Taxes in an Age of Urbanisation

Canadian municipalities do not have access to a wide range of revenue generating tools and mostly rely on a combination of user fees, (limited) transfers from other government levels and, in particular, property taxes. The key role of property taxes is a particular challenge for rural municipalities that struggle with declining populations and therefore a declining tax base. They are thus faced with the difficult choice of burdening their remaining residents with tax hikes or decreasing the number and quality of public services. Does this result in a hollowing out of local government in some geographic areas?



WP3 “Local government structure”

Switzerland – The Agglomeration of Fribourg

A key driver, when citizens of Fribourg and several adjacent smaller municipalities initiated the establishment of an agglomeration in 1999, was the desire to facilitate cooperation between the city and its surrounding communities. In line with the Swiss tradition of direct democracy, the electorate of each municipality was invited to decide whether to join forces or not. But has the agglomeration with the hindsight of several years, effectively reaped benefits through joint projects and will it be sustainable even once financial support provided by the central government has ceased?



WP4 “Intergovernmental relations”

Poland – The Joint Commission of the Government and Territorial Self-Government

When the early years after the fall of Communism witnessed the establishment of a commission bringing together the central and local governments, this occurred in a bottom-up process that was not steered by the centre. The representatives of the local level are today still nominated by six different national associations of municipalities and other levels of territorial self-governments. Does this composition and the actual functioning of the commission take into account the at times conflicting interests and needs of all local governments, whether urban or rural?



WP5 “People’s participation”

South Africa – Participatory Budgeting in Municipalities

In South Africa, the “community of the municipality” is legally recognised as a constituent component of each local government and its active involvement is mandated by the country’s constitution. Such involvement is required, especially, for participatory budgeting through which policy objectives shall be translated into real-life projects in a transparent and inclusive way. But does participatory budgeting in South Africa’s municipalities really live up to these expectations and what can be done to overcome challenges such as low budget literacy levels of local communities and a volatile financial base of local governments in some urban and rural areas?



Our LoGov year 1 in a nutshell

18 partners

15
countries

6 continents

17 country dossiers

23
secondments

63 local government
practices



Selected Past Events

Kick-off Meeting, Eurac Research, 25-26/02/2019



Karl Kössler (Eurac Research) held a speech on the topic “Addressing the urban-rural divide” at the 36th Session, Chamber of Local Authorities - Congress of Local and Regional Authorities of the Council of Europe, 03/04/2019





LoGov secondees Greta Klotz, Elisabeth Alber and Martina Trettel (Eurac Research) acted as H2020-MSCA-RISE ambassadors at the European Researchers' Night, 27/09/2019





All LoGov secondees held presentations on local government in their home countries and gained knowledge about their host countries.





What's next?

Save the date

5-6 May 2020

2nd Transferrable Skills Workshop:
[Open Science and Research Communication](#)
KDZ – Centre for Public Administration Research, Vienna

25-29 July 2020

26th IPSA World Congress of Political Science in Lisbon, Portugal with presentations on “Urban Movements Impact on Participatory Approach in Local Democracy in Poland” and on “Citizen Participation in Local Governance in Poland”, held by Andżelika Mirska and Izolda Bokszczanin (both Faculty of Political Science and International Studies, University of Warsaw)

Forthcoming publications

Articles

Francisco Velasco, “Local governments in Canada and Spain: Far, but not that much”, *Revista de Estudios de la Administración Local y Autonómica* (REALA)

Yilkal Ayalew, “Trends of Splitting of Local Government in the Ethiopian Federal System”, *Ethiopian Journal of Federal Studies*

Karl Kössler and Annika Kress, “European Cities between Self-Government and Subordination: Their Role as Policy-Takers and Policy-Makers”, in: Ernst M.H. Hirsch Ballin et al. (eds.), *European Yearbook of Constitutional Law 2020: The City in Constitutional Law* (The Hague: T.M.C. Asser Press)

Reports

Karl Kössler, “Developing Urban-rural Interplay”, consultancy report for the Congress of Local and Regional Authorities of the Council of Europe

Karl Kössler, “Status of Capital Cities”, consultancy report for the Congress of Local and Regional Authorities of the Council of Europe

Year 2



country workshops



interviews



publications



36 secondments



Partners



Eurac Research
Institute for Comparative Federalism
Italy



LMU Munich
Research Center for Public Procurement Law
and Administrative Cooperations
Germany



Autonomous University of Madrid
Institute of Local Law
Spain



Institut für Föderalismus
Institut du Fédéralisme
Institute of Federalism

University of Fribourg
Institute of Federalism
Switzerland



NALAS
Network of Associations of Local Authorities of
South East Europe
France



ximpulse
Ximpulse GmbH
Switzerland



KDZ
Center for Public Administration Research
Austria



Council of Europe
Congress of Local and Regional Authorities
France



Faculty of Political Science
and International Studies
University of Warsaw
University of Warsaw
Institute of Political Science
Poland



ZELS
Association of the Units of Local Self-Government
North Macedonia



University of the Western Cape
Dullah Omar Institute for Constitutional Law,
Governance and Human Rights
South Africa



Addis Ababa University
Center for Federalism and Governance Studies
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South African Local Government Association
South Africa



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National University of Singapore
Centre for Asian Legal Studies
Asia Pacific Centre for Environmental Law
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