

Participative Management in Local Governments of Ecuador and Agenda 21: Scenarios, Trends, Achievements & Limitations

Prepared by¹: **Juan Pablo Munoz Navarrete**
Coordinator of the Democracy and Local Development Network
(GDDL) of Ecuador

Prepared for: **Bethlehem 21 Workshop** that was organized by the Applied Research Institute - Jerusalem (ARIJ) and Centro Regionale d'Intervento per la Cooperazione (CRIC) in the framework of Bethlehem 21 Project "Environmental Sustainability for a Better Life: An Integrated Approach for Localizing Agenda 21 in the Bethlehem District", funded by the European Commission (LIFE-Third Countries Programme) & the Swiss Agency for Development and Cooperation.²

Bethlehem 21 Workshop: 28 and 29 June 2006

¹ The material was originally prepared in Spanish and translated to English.

² The views expressed in this document do not necessarily reflect the views of the European Commission and the Swiss Agency for Development and Cooperation.

INTRODUCTION

In the 1980s, the world entered the neo-liberal phase of capitalism, which extended over and opened all the major world markets and reduced the economic and social roles of the Nation States. This type of capitalism, termed “wild”, led to remarkable concentrations of wealth, as well as the geographic broadening of poverty and the deterioration of ecological systems.

In response to this movement, the United Nations and hundreds of social organisations around the world increased their awareness regarding the impacts this model would have, and stressed the need for promoting alternative ways of development that are more sustainable and fair. Agenda 21, resulting from the Earth Summit in Rio de Janeiro in 1992 constitutes one of the most significant milestones in this effort to find an equilibrium between economic growth, social justice and the protection of the resources for future generations.

In South America, and especially in Ecuador, some local governments assumed an important role in the challenge of promoting sustainable development, with more fair opportunities for the different sectors and stakeholders. Themes such as social participation in public management, good governance, and local sustainable development were implemented in different municipal departments. There is no doubt that the approaches always match the practices, nor is it the case that all results are similar.

We shall see in this short paper, prepared for the workshop titled, “Bethlehem 21”, which will take place in Bethlehem on June 28th – 29th, 2006, an assessment of these different trends about local development in Ecuador, their relationships with Agenda 21, and their achievements and limits.

1. THE SCENARIO

Among other aspects, the on-going globalised hegemony of neo-liberal capitalism implies a redefinition of the former Welfare State which had an important role in the regulation of internal and external markets, of intervention in the economy, and of the provision of social policies.

The neo-liberal State reforms promote the reduction of the role of “benefactor” Nation States, the opening of markets or commercial liberalisation, and the deregulation of the financial and labour markets. In addition, they permit the redefinition of national spaces against the construction of continental or regional platforms, such as the European Union, the NAFTA, the MERCOSUR, and the Andean Community.

Therefore, it has been said that Nation States hand over sovereignty in the framework of these spatial reconfigurations, and that they begin to be redefined according to the interests of their own capital. This redefinition, as we have said, passes through the configuration of the supranational economic and political decision-making entities (such as the European Union), which promote more competition possibilities at the international level; but, on the other hand, it also passes through the internal redefinition of the States, by a strong demand for decentralisation of public administration.

Among the remedies prescribed under neo-liberalism in order to reduce the role of States, the aforementioned deregulations and, in addition, privatisations and decentralizations have been promoted. While privatisation has a clear mercantilist quality and stands in opposition to the participation of the State in the economy, decentralisation causes strife between different political and ideological trends.

For some decentralisation can be a special tool of neo-liberalism that encourages the reduction of the State, by compelling it to abandon its social responsibilities to local governments. For others, decentralisation can be a tool to encourage the bridging of government and civil society to move forward toward a participative democracy and wealth redistribution³.

1.1. TOWARD A “GLOCALISATION”?

Thus, very schematically set, these different aspects of globalisation and reformulation of the territorial scale give credence to what is being termed “glocalisation”⁴; this is the construction of a new modality of spatial management that reconcile the local realities with the global, and sidestepping (or jumping over) the Nation State. It is necessary to think globally to act locally, some say, it is necessary to think and act “glocally”, reply others. This does not necessarily resolve what place localities occupy nowadays, wedged between this discourse of globalisation and neo-liberal hegemony.

It needs to be noted now that during the decades of neo-liberal reforms, an internal phenomenon that pressed on the Nation State was being formed. It involved the strengthening of many local governments that struggled to stop administrating certain basic services, in order to convert themselves into true governments that promoted the development of their own territories.

The World Bank, while insisting on neo-liberal reforms geared toward market liberalisation and State reduction, gave impulse to the idea of competitive capabilities among localities, as well as the strengthening of municipalities by considering them as public spaces for dialogue with the citizens, and therefore the ones with the greatest potential to confront the challenges of “fighting poverty”.

In this framework, either the neo-liberal approach, or the neo-structuralist discussions⁵, or the positions against hegemony, or—in recent decades—the issues of *local development, municipalism, governance, participative democracy*, emerged with unusual strength.

It was thus that different discourses surrounding the *local* and its relationships with the *global* came into being. As for neo-liberalism, local spaces are the main enclaves in which competitive capabilities are activated in a “free trade” world. As for the neo-structuralist approach, local spaces can allow the bridging between the State and its citizenry in order to improve management; that is local spaces can strengthen the

³ On the decentralisation trends in Latin America and Ecuador we recommend by Augusto Barrera, Franklin Ramírez y Lourdes Rodríguez “Ecuador, un modelo para desarmar”, GDDL-Abya Yala, Quito, 2nd edition, 2005.

⁴ Sánchez Parga (97), put in an atemporary form in Ecuador the “glocalisation”.

⁵ The new-structuralism consider necessary the participation of the State to regulate the market, in order to intermediate in the relations between the capital and the labour to guarantee some social services.

internal markets and, at the same time, can dynamically resist the negative pressures of the external markets.

A more critical approach to the previous argument, which is centred on the search for social change and the existence of certain levels of autonomy in local spaces relevant to national structures and global conditioning, should allow the activation of the transformations starting from the localities that can contribute to sustainable development, the wealth redistribution and the participative democracy, with gender and generational equality.

2. NEW VISIONS FOR DEVELOPMENT AND AGENDA 21

In contrast with neo-liberalism, “alternative” visions for development arose in recent decades. Among them are:

Development at *Human Scale* that, in practice, in contrast to the mercantilist conception of development, proposes a vision centred on satisfying human necessities beginning with respect for cultural diversity. Development must be based on generating increased levels of self-dependence, in the organic articulation of humanity and nature, and in the negotiation between local needs and the international scale. It must also include the participation of civil society in State management, in the redefinition of the public sphere starting with people’s everyday lives, in the valorisation of being and not merely of having.

Amartya Sen gives a significant contribution to this approach by putting an emphasis on the necessity of defining development as the expansion of people’s capacities; development must be understood as an emancipation process, and a broadening of the individual and collective rights.

Environmental preoccupations, which have deepened since the 1980s, brought the Brundtland Commission of the United Nations to submit a report in 1987 in which it asked that the development should not compromise future generations. The polemics between the developmentalists and the conservatives, which was important during that era, found a way in this positioning of sustainable development; it is necessary to grow economically, but not at the expense of social equity and in the preservation of resources for future generations.

Agenda 21, which emerged from the Earth Summit held in Rio de Janeiro in 1992, applies a broader way of viewing development in order to create more room for social justice for all genders and generations and to protect natural resources for future generations, which means moving toward a humane and sustainable approach to development. In this way, Agenda 21 contrasts with the neo-liberalism in force and includes new social and global features to overcome poverty, protect the environment, strengthen the democracy, encourage participative public management, increase trade and develop equitable international cooperation.

3. EMERGENCIES AND TRENDS IN LOCAL DEVELOPMENT

In debates about “glocalisation” and development patterns, in which local governments assume a particularly important role regarding public administration, the relationships within the State, the market and the citizenry, several trends have been formed, of which we present three:

a) The first comes from the neo-liberal discourse and considers localities as important enclaves for the processes of global wealth accumulation. We recall that globalisation produces a redefinition of the spaces, and that capital plays a direct role in the local arena through market liberalisation and state deregulations (labour and financial).

From this point of view localities must themselves: become adequately competitive; must encourage the external investment through more flexible labour conditions, low salaries, productive infrastructures, services, and connectivity (e.g. free zones and chain factories); must be flexible in fiscal terms by decreasing taxes, permitting repatriation of capital, offering juridical security to investments; must not have significant environmental controls; and must be willing to negotiate genetic patrimony and biodiversity with multinationals.

b) The second comes from the neo-structuralist discourse, which recovers some elements of the Welfare State and promotes a local development agenda organised according to the structuralist policies of the State. The State’s role centres on regulating the economy and ensuring that social policies are capable to guaranteeing people’s rights.

This approach intends to give a more human face to capitalism, while maintaining a vision little differentiated from neo-liberalism in economic terms. It incorporates the notions of social capital as a component of civil society, and human capital as something that increases in tandem with the advancement of capacities and opportunities people residing within a particular capitalist framework. This trend is recognisable in some of the points proposed by Agenda 21.

c) The third trend is local development as an outcome of social change, which stems from social movements and from critical social thought. This trend intends to bring about a transformation of the neo-liberalism regime in force.

This approach considers possibilities of working with localities to muster change and transformation programs. It is not about the adaptation of neo-liberal reforms, but about effecting changes in wealth redistribution, social solidarity, respect for the environment, and participative democracy; that is, toward concepts that converge into the discourse of sustainable and human development.

This trend is also recognisable in Agenda 21, although some approaches of this Agenda are not clear enough with regard to the need for a global social change. For instance, the issue of fighting poverty is discussed, but then it is stated that one should talk more about fighting the excessive accumulation of resources, and the need for redistributing them.

4. DIMENSIONS OF LOCAL DEVELOPMENT

Although these dimensions go through the different trends which we briefly outlined, I will now try to address concepts and proposals confronting human and sustainable development approaches. All of these notions are relevant to the principles of Agenda 21.

4.1. LOCAL ECONOMIC DEVELOPMENT

Under the hypothesis that the local spaces—if well inserted in the national and international accumulation processes, which are conditioned by the structuralist logic, and have their own accumulation logic and levels of autonomy from structuralist conditionings—the aim is to activate the local, endogenous, potentialities in order to make the economy dynamic.

Unlike the neo-liberal trends, which search for this dynamism through better links to the global market to attract external investment (e.g. free trade zones and chain factories), the search from a social equity perspective is for the strengthening of the local market, the short chains, and, above all, the contribution to favourite the redistribution of the resources and a productive reactivation from below.

Local governments can make investments that favour the local economy, either with regard to essential infrastructures (e.g. for improving connections for tourism), or in saving and credit mechanisms that are directed at small scale economies. This is done in the same way local governments favour the strengthening of SMEs (Small and Medium Enterprises), through consultative programs, technical assistance, and provision of information.

In theory, one would conduct various initiatives, either through local government or civil society, to develop endogenous resources to promote a more equal distribution (e.g. of land or the means of production) that would strengthen the capacities of men and women, either in cooperatives, small enterprises, or in an individual way, in order to let them participate in the local economy.

4.2. LOCAL DEVELOPMENT AND SOCIAL POLICIES

Another important dimension of local development outlined in Agenda 21 is the approach that is used to deal with social problems. Taking into consideration a lack of health services, education and the enormous inequities at play in some countries, and particularly in Ecuador, it is essential to handle social policies from a national level.

It is possible and necessary to activate, with the help of public and private institutions, social organisations and citizens in general social programmes for health, education, protection of vulnerable social sectors, and the fulfilment of children's and old people's rights. Equitable gender policies (equal opportunities) and respect for ethnic identities are also indispensable features.

One important aspect in this field is the ability to activate decentralisation processes in areas such as health and education. This requires the help of local forces in addressing the concerns of institutional synergies, programmatic horizons, and social and human capital, all of which facilitate the decentralisation process. Furthermore, it passes from the possibility to achieve the canalisation of the correspondent resources from the central State, with the problem that these areas have significant budget deficiencies.

4.3. LOCAL DEVELOPMENT AND ENVIRONMENT

Since one of the main aspects for sustainable development in Agenda 21 is the environmental one, then this should be considered at a local level. Meanwhile, the neo-liberal globalisation approach is particularly aggressive against natural resources, biodiversity and traditional knowledge.

At a local level it is possible to establish policies inclined toward the protection of natural resources, either through juridical tools (e.g. by-laws and decrees), or through the establishment of local networks on environmental management that contribute to the sustainable management of more sensitive resources (e.g. water, forests and biodiversity).

Moreover, depending on the scale, problems such as the management of solid waste, air pollution by gas emissions, among others, which especially affect cities, should be part of a local development agenda.

4.4. LOCAL DEVELOPMENT AND INSTITUTIONAL REFORM

Ideally, effective form passes from nepotistic administration to a framework with more citizen participation, participative planning methodologies, medium-term programming efforts, statement of account mechanisms, and social control.

The institutional reforms, therefore, imply a redefinition of the relations between State and civil society, and a distinct understanding of the public in terms of their social organisations and the meaning of citizenship in general. Moreover, local governments imply the assumption of many responsibilities in their overall configuration, and not simply the administration of a few basic services.

Municipal institutional reform is inherently connected to the political system: With it comes the need to overcome the over-delegating, over-formal, and “restricted” democracy that have plagued many citizens of Latino American countries. True reform requires confronting the limits of democracy and activating major civil society involvement in local public management.

5. LOCAL DEVELOPMENT AND SOCIAL PARTICIPATION

Social participation and citizenship are the principal means for achieving consultation and decision-making mechanisms. In order to achieve this participation not only institutional changes are required, but also, above all, the empowerment of stakeholders and civil organisations in a way that improves administrative and management capabilities.

Local development initiatives, in the case of local democratisation, can arise from governments as well as from social organisations, or from an agreement between the two sectors. In order to forecast a sustainable dynamic in these changes, the onus must fall on social organisations. It must involve citizen empowerment through the enforcement of participative planning, management and control procedures.

5.1. PARTICIPATIVE MECHANISMS OF LOCAL MANAGEMENT

Participative planning and budgeting are the principal elements of citizens' involvement. Participative strategic plans that permit a programmatic horizon have been activated and included the initial portfolio of projects to advance towards sustainable human development. The participation of social organisations, public and private institutions, actuating the locality, is essential not only as a democratic decision-making exercise, but also as a means to activate social responsibility and to promote synergies among the different stakeholders.

Starting from these participative strategic plans, and aiming for medium-term horizons, it is possible to advance operational plans and participative balances on an annual basis. The participative balance can be a key tool to deepen democracy and favour the equal distribution of expenditures. It also facilitates the generation of local government incomes.

To give rise to civil participation it is necessary to utilize institutional spaces bring a framework of support that is not only circumstantial. This requires enlarged council sessions, popular assemblies, observation spaces, planning tables, other possible debating spaces, consultation, decision-making and overall social security.

As previously stated, it is important to deal with social actors and citizens qualified to demand their rights, for whom the activation of citizens' training processes is important.

6. LOCAL DEVELOPMENT IN ECUADOR: LESSON LEARNT

Taking into consideration the contextual and conceptual framework that we have proposed, alluding not only to the municipalism, but also to comparative visions about development, to the proposals of Agenda 21, to the changes in public administration (decentralisation), to the concretisation of experiences defined as "alternative", we make reference to dynamics managed in the last ten years (1996-2006).

Yet, the year 1996 coincides with the emergence of new leadership from social movements that decide to participate in elections.

6.1. ABOUT DEMOCRATISATION AND DEMOCRACY

Probably the aspect that has been more tackled in many of the experiences defined "alternative" of local development is the promotion of the public participation. This has been achieved either through participative planning or through the configuration of assemblies and sessions.

Not only relatively small cantons (less than 50,000 inhabitants), like Cotacachi, Nabón, Coca, Suscal, Guamote, Saquisilí, Cayambe, or medium-sized ones like Ibarra, Otavalo,

Riobamba (more than 100,000 inhabitants), made strides during this period, but local initiatives also took place in two of the most populated towns, like Quito (2,000,000 inhabitants) and Cuenca (400,000 inhabitants). Additionally, there was similar activity in various provincial prefectures, like Azuay, Cotopaxi, Chimborazo, and Orellana.

Without a doubt, the necessary question in this field is: Through participative planning, including the participative balance or the participative assemblies and sessions, to what degree was real citizen participation in the decision-making process achieved? By a preliminary approach to different experiences it is possible to observe that in many cases the participative planning does not have a definitive achievement level, but it can be measured with only in very general terms that cannot be verified by specific indicators.

In the majority of cases, either participative balances do not exist or they account for lower percentages of the municipal budget (e.g. less than 30%). In the same way the configuration level of mechanisms of accounts statements and social control, is incipient or does not exist.

In any case, it is possible to affirm that participation levels are carried out more frequently and are more relevant to only a few small cantons (such as Cotacachi, Nabón, Coca) and not in the above mentioned cities. In the case of Quito, for instance, it is difficult to determine the existence of a regulated participative model (2001). The application levels are low and there are substantial differences in the realisation of the issue among various zone administrations. Some of the more significant resources do not pass through the zone administration except through the municipal enterprises, which are less aware of the participative management model. In spite of these limitations, the actual administration of the Municipality of Quito has been much more open in comparison to past decades. It organizes zone sessions in which it enters into dialogue with the citizens to prioritize the work.

In Ecuador the experiences in which permanent participative spaces—such as popular assemblies, sessions, and planning tables—were achieved are exceptional. This is due to the difficulty of supporting these spaces in political, economic, and technical terms, as well as in terms of juridical practices that extend beyond the municipal regulation, since such legal instruments make people dependent where they should be fully autonomous in the local government.

With varying results, in this last decade various State governments advanced toward increased levels of popular participation in public administration, in defining accountability mechanisms and implementing processes of social control processes (citizen observations). These outcomes fall in line with the Agenda 21 recommendations, regarding the advancement toward a more participative democracy with more citizen co-responsibility. This was something that was not achieved in public management at the level of the Nation State.

6.2. TOWARD SUSTAINABLE AND EQUITABLE DEVELOPMENT

In assuming the economic, social and environmental dimensions of development, the best alternative to the Nation State is the local model. However, the scale is limited with

respect to dimensions, because of the structuralist conditionings, the dependency of the localities on the Nation State, and the impact of globalisation.

In some cases, the efforts of re-orientating the allocation of resources in search of greater equity, deserve our attention (for example in Cotacachi, Guamote, the budget was redistributed in favour of the rural areas). Other schemes have promoted saving and credit mechanisms in order to activate the local economy from below, like in Nabón.

In general, in the attempts to bring balance and an improved re-orientation of the local economy, to promote a better distribution of activities and services, to encourage small scale productive infrastructure (tourism, handicrafts, small businesses), there are few distinguished examples. In cities like Quito and Guayaquil (the biggest in the country) the incidence of wealth concentration has increased. “Mega-projects” (such as airports, and other relevant infrastructures) have generally been under the pressure of local economic elites.

As concerns environmental and natural resource management initiatives, in some cases regulatory measure on extractive polluting (such as mines, for example), were undertaken, and reforestation and wastewater management projects were started. In other cases ecological regulations that orient toward more responsible natural resource management were applied. Sustainable development, as a transversal approach, was implemented more in words than in practices, except some exceptional cases in which important efforts were done.

Concerning social policies, except some initiatives related to children’s well-being (protection councils), or those involving health management policies, there is little that could be put forward. Obviously, given the devastating reduction of State action, it is difficult to ask more of local governments. As concerns education, in general the same thing that happens in the health sector is repeated, with the exception of the alphabetization initiatives that were undertaken by various local governments.

Although results can be limited, it is important to acknowledge the efforts made by many local governments to achieve sustainable development; they are more significant and surely greater than the ones made by national governments. An important indicator in this sense is that citizens, in the last decade, participated in overthrowing three national governments, and re-elected the mayors of the main cities.

7. CONCLUSIONS AND CHALLENGES

After having outlined the scenario of globalisation the neo-liberal hegemony, we revised some elements on the different visions of development, the contributions of Agenda 21 in this field, and we briefly drafted an assessment of what is happening in Ecuador in some local governments.

We have seen how possibilities in local development are linked to national, international, and global conditions and how these scale relations can be understood from the logic of global accumulation or from processes of self-centering or strengthening of capacities and endogenous resources.

We can say that the recommendations of Agenda 21, including the more radical views on alternative development and social change, are under discussion more by various local governments rather than by national governments, which play in favour of the neo-liberalism in force.

To conclude, we can highlight the scarce promotion of a serious and participative evaluation process on the national level, as well as the scarcity of exchange of experiences at national and international levels. There is a lack of network mechanisms able to develop the capacities either of local governments or, especially, of the social organisations, and of social participation spaces which have been forming in various localities. The recommendations of Agenda 21 can be useful as a reference for these efforts of exchange, learning, and the redefinition of local government policies. For this reason we applaud the initiative of this workshop in Bethlehem District.

It is also necessary to activate mechanisms of intervention based on local experiences (governments and citizenship) in national and international issues, such as decentralisation, development models, and political reforms. The possible social and political accumulations that have been dealt with in these spaces should be put at disposal of the country in order to enrich participative discussion and to facilitate alternative agendas for democracy and development in Ecuador.

BIBLIOGRAFY

- Beck Ulrich
Cordelier Serge Coord. Qué es la Globalización?, Paidós, Buenos Aires 1998
La globalización más allá de los mitos, Abya Yala, Quito, 2002
- Houtart Francois Coord. El otro Davos, globalización de resistencias y de luchas,
México, 2000
- Leff Enrique Coord. Etica, vida, sustentabilidad, Pensamiento Ambiental
Latinoamericano, PNUD, México, 2002
- Nair Sami El imperio frente a la diversidad del mundo, Barcelona, 2004
- Negri Toni, Hardt M. IMPERIO, Ediciones desde abajo, Bogota, 2001
- Arocena José El desarrollo local, un desafío contemporáneo, CLAEH, Nueva
Sociedad, Caracas, 1995
- Arocena José Lo global y lo local en la transición contemporánea, CLAEH,
No 78-79, Montevideo, 1997
- Barrera Augusto Ecuador un modelo para desarmar, GDDL-Abya Yala, Quito,
2edición, 2005
- GDDL Sistema Nacional de Liderazgo, Cuaderno de Lectura, Cuenca
2004
- Espinosa MaFernanda Agricultura Sustentabilidad y neopopulismo. En Ecuador
Debate # 43, CAAP, Quito, abril.
- Muñoz Juan Pablo Desarrollo local: contexto tendencia y desafíos, en Buscando
caminos para el desarrollo local, Mashí, Ecociencia,
Terranueva, Quito, 2005.
Pueblos indígenas y desarrollo local, en Ciudadanías
Emergentes, GDDL, Abya Yala, Quito, 2000
- OFIS Encuentro Latinoamericano: Retos del desarrollo local, Archivo
digital de ponencias, Cuenca, 2005
- RED CANTARO La participación ciudadana en el desarrollo local, Cuenca 2005
- Lola Vásquez, edit Desarrollo local: alternativa o discurso neoliberal, UPS, Abya
Yala, Quito, 2003
- Sánchez Parga José Globalización, gobernabilidad y cultura, Abya Yala, Quito,
1997.
- Terranueva Guamate: hacia un modelo de control social, Quito, 2003