Synthesis Report on
Democratic Developmental Local Governance: An Enabler to Economic Transformation at the Local Level

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List of Abbreviations

CSOs - Civil Society Organisations
DAs - District Assemblies
DDLG - Democratic Developmental Local Governance
IDEA - Institute for Democracy and Electoral Assistance (International IDEA)
IGF - Internally Generated Funds
LED - Local Economic Development
LEDAs - Local Economic Development Agencies
LGS - Local Government Service
LGs - Local Governments
NDC - National Democratic Congress
NPP - New Patriotic Party
1.0 Introduction

1.1 Background
The African Governance Survey of 2020 by Mo Ibrahim Foundation ranks Ghana as the 8th country in Africa with quality governance. Such indication is an acknowledgement that, being part of the Top 10 African countries, Ghana is doing something right in terms of governance. Since 1993, state-citizen relationship in Ghana has significantly improved. Many institutions and opportunities have been developed to improve the living conditions of people. The democratic practices in Ghana have provided the opportunity for the creation of decentralization that ensures the involvement of citizens in the governance process. Democracy and decentralization have become two governance concepts that creates the enabling opportunities for local people and their organisations to be directly involved in solutions to problems that affect them in their immediate environment.

There is a symbiotic relationship between democracy and decentralization though one does not cause the other (Awortwi & Amakye, 2020; Pandey, 2006). There has been evidence that decentralization promotes local self-governance and development which is a key principle that is fundamental to democracy. This is because the opportunity for the right of the people and economic stakeholders to participate in the decision-making processes at every level of development solidifies democracy. In a democratic setting, citizens are given the power and opportunity to choose their leaders and representatives whom they can hold accountable in the allocation and utilisation of state resources. While democracy determines the relationship between the citizens and their political leadership, decentralization defines the links between the Central Government (CG) and local institutions for improved development. This relationship involves the powers that local institutions can wield in the decision-making, the finance and resources that the local institutions can mobilise and use as well as the roles and responsibilities that each level of government can play.

For development to be achieved there is the need to have new orientations and structures that ensure transformational initiatives. Most of the countries that are developed have always established developmental structures. Historically, developmental states have been able to transform their countries to the benefit of the citizens. One effective structure that has been used is a decentralized structure. It is therefore imperative to understand the use of developmental principles and structures at the local level to improve the living conditions of the people. This calls into analysing a Democratic Developmental Local Governance (DDLG) in Ghana as the country aims for “Ghana Beyond Aid” and massive industrialisation.

DDLG is borne out of a complex socio-economic and political process marked by democratisation, marketisation, and decentralization. It represents a new approach to the pursuit of collective welfare and
developmental goals, leveraged by ideas that favour a redefinition of roles of the state and government. Importantly, the transfer of functions of the state and government to other actors. Decentralization of authority and responsibility below the ‘centre’ is linked to the governance paradigm and thus provides conceptual support for the perceived essentiality of Local Government (LG) to the creation of a democratic polity. Contemporaneously, trends in decentralization have been specific to meeting economic development ends evidenced in the decentring development discourse that makes assumptions about the role of sub-national government (Schoburgh & Chakrabarti, 2016).

This paper seeks to broaden the debate on what the establishment of a democratic developmental local government might entail, in the context of comparative analysis of what might be considered democratic developmental state in the global South, Nordic welfare states, South East Asia and African countries. This paper opines that; developmental local governance strives in a more decentralized democratic governance. That is, this paper discusses and synthesizes how developmental local governance can be nurtured and sustained in a democratic governance system such as Ghana. It creates a relationship between the democratic governance and developmental local governance. This paper is structured after the background setting the paper in context. Section Two of the paper discusses the merits of governance and democracy.

Section Three examines the Developmental Model as has been practiced in other jurisdictions. Section Four conceptualises and establishes the relation between democracy and development which is key to the focus of the paper. Section Five introduces the discussion of DDLG and further to it in a contextual understanding, we examine the implications of DDLG in Ghana in Section Six. Finally, Section Seven concludes the synthesis.

2.0 Governance and Democracy
The interaction between state and non-state actors to ensure development is very paramount in every society. Democracy and governance over the years are increasingly regarded as the valuable twin concepts. Democracy usually is considered as the bedrock of good governance. Indeed, Democracy is noted as rule by the people. That is a society in which the citizens are sovereign and control the government (Hirst, 2002). The practice of democracy provides the opportunity for people of a country to effectively participate in the governance process without fear. It is not surprising that, Democracy as a concept has been described aptly by Abraham Lincoln, a former United States of America President as government of the people, by the people and for the people. In other words, Democracy is seen as a system that involves the participation of the citizens in the governance process. This becomes an aggregation of preferences of the people (Schumpeter, 1947) that will represent the common good of the people in a collective interest.
Argandoña, 2013; Beerbohm & Davis, 2017; Etzioni, 2014; Heywood, 2015; Mastromatteo & Solari, 2014) Larry Diamond sums the meaning of democracy into four elements in a lecture he delivered. According to Diamond (2004), democracy should be considered as:

i) A political system for choosing and replacing the government through free and fair elections;

ii) Active participation of the people, as citizens, in politics and civic life;

iii) Protection of the human rights of all citizens; and

iv) A rule of law in which the laws and procedures apply equally to all citizens

Diamond’s description of democracy places citizens at the centre of political decision making. This is to create popular sovereignty, where the people have the ultimate power to decide who should rule them and manage their resources on their behalf. In a democratic state, there is a guaranteed right through legally established structures for the people to act freely and willingly in deciding how their system should run and be sustained without any threat. Citizens freely choose their representatives through regular elections from competing parties in order to promote downward accountability. As a system, Nwogu (2015) posits that, democracy offers the people the opportunity to accept or reject their leaders through a competitive electoral process. The democratic method is that institutional arrangement for arriving at political decisions in which individuals acquire the power to decide by means of a competitive struggle for the people’s vote (Cunningham, 2010). However, it must be noted, it is not always the case in some jurisdictions that, the electoral process is competitive.

Democracy thus, has been globally accepted as the system of government that will ensure citizens equitably enjoy the full benefits of state resources. In this regard, democracy has a deeper association with good governance where all rights are protected and honoured.

Governance is the coordinated interaction among formal and informal actors of an organisation or country. Governance can be broadly understood as the interaction between governments, business stakeholders and non-profit organisations by which policy decisions are undertaken (Risse & Leibfried, 2001). Governance is aimed at improving governmental processes and promoting efficiency in the delivery of service (Schröder, & Waibel, 2010). Governance can be referred to as “the processes and structures of public policy making and management that engage people constructively across the boundaries of public agencies, levels of government, and/or the public, private and civic spheres in order to carry out a public purpose that could not otherwise be accomplished” (Emerson et al., 2011: 2). It is considered as the management of state and societal affairs in achieving a collective goal of improving living standards of not only few but all people including the marginalized and poor for sustainable development.
(Okoroafor, 2010). The World Bank (1992) defines governance as “the manner in which power is exercised in the management of a country’s economic and social resources for development”. The definition of the World Bank clearly is focused on ensuring accountability in economic performance to ensure that people within a jurisdiction benefit from the economic and social resources through development. From these perspectives, governance looks at making decisions that will transform the living standards of the people who interact with the state. That is to say, as part of the social contract, government needs to be responsive to the needs of the citizens who voted them and provide services and products that will lift them from poverty into development. In this regard, democracy and governance reinforce each other to create stable and safe communities to ensure human development.

3.0 Developmental State Model

The interest of developmental states has risen in recent times as a result of the success of East Asian countries in leading development. A developmental state plays an active role in guiding economic development and rapid industrialisation using the local resources for job creation and income growth to improve the quality of life of the people. It mobilises resources and institutions (state and non-state) and direct them towards national goals. Japan and later South Korea, Singapore, China, Taiwan, Vietnam have epitomised ideal type of Developmentalist State that joined private ownership with state guidance (Johnson, 1982).

The Asian developmental success places the spotlight on what are the lessons that made these states developmental. Many African development scholars are worried about the slow pace of development and have argued strongly for the adoption of the principles of developmental state in Africa (Green, 2011). Developmental State coined by Johnson (1982) is viewed as how states can be capable and more supportive to development and human security (Fritz & Menocal, 2007). Developmental state model is traced back to the Japanese transformation of working together to achieve great economic results to which other East Asians as well as Singapore followed. The formative stage of developmental state and its adoption has been in considered in authoritarian regimes. In a context where most emerging economies now embrace some form of democracy, the challenge has been to create a state that retains the state-led features of the original East Asian model but yet one that is underpinned by democratic principles. The quest for this hybrid model gave rise to the idea of a democratic developmental state. Just as nationalism was a key factor that transformed developmental state model, so does localism and the quest to catch up with development elsewhere. Localism provides legitimacy to local policies and choices.
### Essential Features of a Developmental State

- **State intervention in the economy and control of finance.** Years ago, the state had a strong hand in developing a country. Classical examples can be made of Japan, South Korea, Taiwan and Germany. The state-led interventions in their economy yielded great transformation results to improve quality of life of the people. The industrialisation drive was initiated by the state and led the transformation agenda.

- **Small, inexpensive but elite state bureaucracy:** This is what Evans (2005) describes as the ‘embedded autonomy’. The developmental state always engages professional bureaucrats who are employed based on meritocratic traits. These professionals do not owe allegiance to individuals or groups but solely to the state.

- **Political stability is a contributory factor for a developmental state.** The political system is able to absorb most of the interests of people who are not in power. The state is able to insulate itself from political disturbances that will distract the government from achieving the national goals. Interestingly, dominant parties ensured that the ruling government was not afraid to take unpopular decisions knowing that their power is not under threat from opposition parties. In such a stable system, the state is able to protect the bureaucracy to implement policies. That political system in which the bureaucracy is given sufficient scope to take initiative and operate effectively; and the perfection of a range of market conforming methods of state intervention in the economy.

- **Strong Private Sector:** The private sector was strong to support the industrialization agenda of the developmental state.

- **Civic identity and cooperation:** Cooperation is therefore a central element of the developmental state (Edigheji, 2005). Edigheji (2005) describes the cooperation of stakeholders in the developmental state as ‘inclusive embeddedness’. This is a crucial part of the essentials of a developmental state. There must be that sense of belongingness and unity of purpose in order for successes to be chalked. A developmental state ensures that, there is civic identity among all citizens. For instance, after the genocide in Rwanda, there is the unity of purpose to develop the country and ensure that, they do not go back to the dark days. Every single Rwandese feels part of the developmental goal of the country. A similar sense of direction was used in Japan and Singapore. Japan needed to catch up with the economic growth in the West, they instituted radical measure to rapidly develop.
**Developmental State and Subnational Government**

Throughout history countries have restructured national governance arrangements in order to overcome development challenges. Such reforms have been cascaded to sub national structures as a basic condition for development. This shift also made it at the same time necessary to rethink the role and functions of the sub national structures and therefore the new conditions of governance and decentralization as well. It must be understood, though, that fiscal and administrative decentralization are not a sufficient condition for local democracy and good governance. Subnational governments played significant roles to project the much touted ‘developmental state’. Bateman (2000) boldly insist that, a great part of the historic economic development success attributed to the developmental state model, especially in the more recent post-Second World War times, is actually success brought about, thanks to the innovative activities. Not so much of national level developmental state institutions but of sub-national developmental state institutions – that is, thanks to what is now called the ‘local developmental state’. Clearly, in Japan, the CG realised that, it needed to mobilise the local people to appreciate the ‘new Japan’ and the orientation. The CG tasked subnational government to educate and mobilise the people to work with the state to achieve the economic success. This has become necessary in ensuring a more central role for citizens and local stakeholders’ involvement and shared control in the development processes as well as effective local administrative and political patterns and practices.

Given the history of developmental states that was characterised by autocracy and one-party dominance, in the context of multi-party democracy at the national level, can a viable ‘democratic developmental state’ model emerge in Africa and what does this mean to sub-national development?. Some have argued that, the authoritarian regimes dug their own grave for not making the developmental state sustainable (Fritz & Menocal, 2007). Seeking to learn lessons of the Asian developmental model, much attention has focused on the applicability of the concept to the nation state leaving the potential replicability to the sub-national level. The fight against poverty is not simply a social, economic and technical objective but also a political and institutional goal for government systems to absorb and generate desired change through the local structures with support from the CG.

Instead, an active citizenship and vibrant local democracy are critical to such processes. The focus was on how representative forms of local democracy could embrace more participatory and inclusive systems of local governance. In recent times Brazil, India, South Africa, Mauritius and Botswana are frequently cited examples that democratisation and an increase in the developmental orientation can occur simultaneously’. The repressive nature of the state was a key feature of the developmental state capacity but DDLG will have to use its autonomy to consult, negotiate and elicit consensus and cooperation from
multiple stakeholders in the promotion of local development.

DDLG forges programmatic relationships between local residents and the local assembly, broad-based alliances with society and ensures popular participation in the governance and transformation processes. Studies conducted by ODI and analysts of Africa’s developmental approach argues that Rwanda’s ‘developmental patrimonialism’ is the region’s best hope for the future – a model closer to East Asian autocracy than to the hopes of the proponents of the democratic developmental state (Green, 2012).

4.0 Intersection of Democracy and Developmental Process
Democratic practices are acknowledged to be traceable to economic development (Nwogu, 2015). Many studies have established relationship of economic development and democratic practices. Many authors and practitioners believe that there is a relationship between democracy development (Leftwich, 2002; Leftwich, 2005; Reitzes, 2009; Sikuka, 2017; Zack-Williams, 2001). Many argue that, political institutions provide the good platform for economic development. There are great incentives for investments and also promotion of economic activities with peaceful and responsive environment. Interestingly, it is imperative to note that in a democratic setting, there is efficient and equitable allocation of state resources and the delivery of public services. A democratic environment provides the opportunity for engagement, dialogue and political settlement involving various stakeholders and interest groups. With inclusive participation, there will be little skewed development. In a democratic setting, due to participation and debate on budgetary allocations, majority of the sectors such as Education, Health, Agriculture, Security, Manufacturing, Social amenities, among others will receive appreciable government support.

In the African context, there are evidences to suggest that, countries that have some levels of democratic practices are able to develop faster than those without democratic practices. Table 1 captures the Top 10 Democratic Countries in Sub-Saharan Africa and also Top 10 Sub-Saharan African Countries with weak democratic practices.

Table 1: Top 10 Democratic and Weakest Democratic Countries in Sub-Saharan Africa in 2020

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Top 10 Sub-Saharan African Democracies¹</th>
<th>Top 10 Weakest Sub-Saharan African Democracies</th>
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<tr>
<td>1</td>
<td>Mauritius</td>
<td>Democratic Republic of the Congo</td>
</tr>
<tr>
<td>2</td>
<td>Cape Verde</td>
<td>Central African Republic</td>
</tr>
<tr>
<td>3</td>
<td>Botswana</td>
<td>Chad</td>
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</table>

¹ Democracy index in Sub-Saharan Africa by country 2020 | Statista
From Table 1 above it can be seen that, democratic principles in steady and well-established countries influence their development as compared to unstable democracies. Countries such as Mauritius, Botswana, Cape Verde and South Africa have demonstrated stable democracies in the past decade. These countries have had regular fair elections and also establishment of strong institutions which protect the rights of people and properties. There are various avenues to seek redress in event of conflicts and disagreements. In addition, there is reliable environment for investments and businesses to flourish. These countries in the second column of Table 1 have been able to put in place some structures, systems and institutions to create the enabling environment for democracy to thrive and promote human and real development.

On the contrary, the countries in the third column in Table 1 are usually characterized and influenced by conflicts, coup de tats and abuse of authority. They usually have a closed media and poor citizen participation in governance. For instance, countries like Democratic Republic of the Congo and Chad have experienced violent conflicts in recent years. This situation prevents transformational policy implementation and economic investments. It is not surprising that, they are considered as countries with weak democracies, hence, low in development. Weak democratic countries prevent productive and economic growth (Robinson, 2006; Sharma, 2007).

Espousing the correlation between democratic governance and development, International Institute for Democracy and Electoral Assistance (International IDEA) (2013) sums it up aptly:

> The effectiveness of institutions and the soundness of democracy politics are acknowledged as catalysts for development. Democracy creates the enabling environment in which policy choices are subject to the control of free and responsible citizens capable of holding government and state institutions accountable for their implementation.

### 5.0 Democratic Decentralization, Local Governance and Development

Laski (1982) posits that “we cannot realise the full benefit of democratic government unless we begin by the admission that the problems are not the central problems and that the results of problems not central in their incidence require decision at the place and by persons, where and whom the incidence is most deeply felt” (cited in Tonwe, 2011). This establishes the relevance of decentralized governance to ensure that, people benefit from the state resources. Many governments in developing countries especially those

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<th></th>
<th>South Africa</th>
<th>Equatorial Guinea</th>
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<tr>
<td>5</td>
<td>Namibia</td>
<td>Burundi</td>
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<tr>
<td>6</td>
<td>Ghana</td>
<td>Eritrea</td>
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<td>7</td>
<td>Lesotho</td>
<td>Guinea-Bissau</td>
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<td>8</td>
<td>Malawi</td>
<td>Djibouti</td>
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<td>9</td>
<td>Madagascar</td>
<td>Cameroun</td>
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<tr>
<td>10</td>
<td>Senegal</td>
<td>Togo</td>
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in Sub-Saharan Africa are introducing policies and programmes to bridge the inequality and poverty gap. These programmes are introduced and implemented under the Principle of Subsidiarity. It is believed that, delivery of services is most effective when local authorities who are closer to the people have that responsibility. In view of that, there are growing expectations placed on LG to deliver services that will impact meaningfully on the lives of the people and improve their living conditions. LGs are seen as the closest authority to be responsive to the basic needs of the local people. These expectations and the global developmental trends set up LG to be more proactive and innovative to improve quality of lives. LGs are to ensure that, development reaches the local people in a more integrated manner. Local development is crucial as is the process of diversifying local resources to enhance economic and social activities at the local level to benefit community members. This draws LG to become developmental in nature, policy and practice. Development is understood to mean structural transformation of the economy (Singh & Ovadia, 2018). Developmental regime “is actively promoting and supporting a productivity revolution … or pursuing a deliberate ‘industrial policy’ with a view to building capabilities and acquiring new comparative advantages for exploitation within regional or global markets” (Booth & Golooba-Mutebi, 2014:3). Thus, local governance is considered as the remodelling of interaction between the state and its citizens (Planel, 2014). DDLG is a complex political and socio-economic process involving LGs providing leadership in the transformation of local territories with multiple state and non-state actors in a more ‘entrepreneurial manner’. It also explains the changing role of LG in modern governance.

DDLG is viewed as a process where LG is committed to working with citizens and community groups in finding sustainable ways to address their social, economic environmental and materials needs and improve the quality of their living conditions. LG leadership may be appointed by a higher-level government or elected directly by the people. Democratic LGs have leadership elected by the people. DDLG is a shift in thinking and practice of the processes of local development from traditional service-oriented focus of LG to local economic development (LED), job creation, income growth and social protection. Developmental LGs provides leadership and inclusive space for multiple actors to be part of the processes of local development. Effective and efficient services delivery become the basic roles and responsibilities for all LGs but beyond the basic is developmental, such as South Africa (Nel & Binns, 2001).

Many countries in the third world have worked very hard to turn their LG to a developmental system. Countries such as Brazil, Denmark, Ethiopia, Norway, South Africa, to mention but a few have ensured that, their LG is taking the lead in developmental activities with the support of the CG. A transformational LG is most achieved with democratic decentralization or
devolution of power and authority to sub-national governments.

Developmental Local Governments have elements that distinguish them from other forms of LGs:

1. It conceives its "mission" as that of ensuring LED (growth of productive sectors, employment creation, income growth). The focus is to transform the local economy and provide basis for rapid industrialisation.

2. To take the lead in defining a common local agenda, to mobilise all local actors to take part in the implementation of local agenda and to direct local resources towards this shared programme.

3. The concept of 'developmentalism' means that government and enterprises are in a mutually beneficial relationship, so that neither prevails over the other. The LG establishes incentives and disincentives to direct private investment; the success of enterprise in turn reinforces LG legitimacy.

4. Establishing clear, measurable and time-bound targets for common programmes and for monitoring their implementation.

**Pillars of Democratic Developmental Local Governance (DDLG)**

DDLG is hinged on Three (3) strong connected pillars, namely Decentralization, Democratisation and Managerialism (DDM) at the local level (Schorburgh & Chakrabati, 2016). This is modelled in a continuous interaction with the support of stakeholders.

**Decentralization**: For local governance to be considered developmental, there must be high level of decentralization and autonomy of LGs in the performance of their mandates. Decentralization is considered as transfer of planning, decision-making, or administrative authority from the CG to its field organisations, local administrative units, semi-autonomous and parastatal organisations, local governments or non-governmental organisations (Rondinelli, Nellis & Cheema, 1983). In other words, Falleti (2005:328) describes decentralization to be a process of state reform composed by a set of public policies that transfer responsibilities, resources or authority from higher to lower levels of government in the context of a specific type of state. That is granting LG the power and authority as well as freedom to take decisions, mobilise and control resources that will help their developmental process. Indeed, one of the drivers for introducing decentralization is to promote economic development which will reduce the transaction cost of service delivery to citizens who are considered as customers. Additionally, for developmental local governance, the administrative set up of LG must be more professional in decision making and implementation of pro-poor broader programmes without partisanship. The introduction of decentralization policy ensures a purposive developmental agenda.
DDLG exhibits the principles of *democracy*, thus, free and fair elections of LG leadership. LG is one of the key actors of local governance, though may play a leadership role in local development. Democratic LG strives on local political system that is democratic and open for competitive ideas. Devolved central-local government relation is a critical ingredient for promoting of DDLG. Devolution provides the opportunity for local authorities to have discretion over their resources and become more responsive to the needs and preferences of their localities (Gainsborough, 2003). Due to the autonomy given to the elected representatives, they are accountable to the electorates. Downward accountability is enshrined and enhanced. Indeed, local representatives are elected directly by the people in a free and fair elections and broad-based participation of the people in the planning and budgeting of the municipality. An elected local leader is more empowered and likely to be accountable to the people to stimulate local development than appointed local leadership or local bureaucracy.

**Business and management principles:** LED and related economic interventions are broadly referred to as developmental local government (Bateman, 2017; Koma, 2012b; Nel & Binns, 2001). The World (2003: 1) defines LED as a “process of by which public, business and non-governmental sectors partners work collectively to create better conditions for economic growth and sustainable employment generation”. There is strategic partnership with the private sector for economic development and job creation as well as industrial transformation (Binns & Nel, 2002; Clapham, 2018; Goodfellow, 2017; Singh & Ovadia, 2018). With LED, the local human, natural and institutional resources are mobilised to improve and maintain economic activities in the local area. Economic activities strive better when LG collaborates with the private sector to stimulate the local economy. Developmental Local Governance collectively and collaboratively, design strategies and plans to protect all the sectors that the local area has a comparative advantage and those that they can create a competitive advantage of. In most developing countries, sectors such as Agriculture, Mining and Tourism are critical for the economic growth of the local economy, hence, marketing those productive sectors to create jobs, employ the youth and ensure income growth. Developmental Local Government directly work in partnership with the private sector to transform the local economy and inclusive development. This is greatly facilitated with an integrated developmental planning process (Binns & Nel, 2002).

In achieving DDLG, there are some key drivers and enablers to support the initiatives and actions. Figure 1 below represents how DDLG operates to ensure inclusiveness and improvement in the quality of lives of the local people.
Characteristics of Democratic Developmental Local Governance (DDLG)

DDLG is characterised with ensuring economic transformation for citizens and promoting LED. As cited in de Visser (2009), Developmental Local Governance has Four (4) interrelated characteristics. These characteristics shape what LGs do:

- Maximisation of social and economic growth;
- Integration and co-ordinating;
- Citizens participation for development;
- Leadership and learning.

**Maximisation of social and economic growth:** LGs is mandated to exercise its powers and functions in a way that has a maximum impact on economic growth and social development of communities (de Visser, 2009). LG tends to create the ‘enabling environment’ for the private sector to strive and also support individuals as part of welfare support to the needy. DDLG designs more progressive policies and to attract investment and support local businesses and industries.

Thus, LG creates a trading hub and implement progressive tax incentives. Exploring and utilising the available local resources, both natural and human in supporting economic growth. More striking is that, LGs works to reduce significant inequalities and also provide the opportunity for access to social amenities such as education and health by all citizens especially the girl child. In that, Developmental Local Government strategically intervenes in the economy to promote social development (Nkwana, 2012) by addressing the basic needs of the people.

**Integrating and co-ordinating:** for cohesion, LG and coordinates developmental activities of other state and non-state institutions in the local area. Being the local planning authority, it is imperative that, DDLG is expected to oversee every developmental activity undertaken in their jurisdiction in order to prevent ‘skewed development’ – where developmental infrastructure is enjoyed by only few areas in the municipality. The integrated and coordinated activity of Developmental Local Government ensures uniform development across the municipality. Activities of CG,
LG and Civil Society Organisations (CSOs) such as community-based organisations and non-governmental organisations (NGOs) are integrated into the development plan design by LG and coordinated for effective implementation. In this regard, there is mutual trust, good faith and information sharing among all stakeholders (Koma, 2012a).

Citizens participation for development: LG becomes the vehicle through which citizens work to achieve their vision of the kind of place in which they wish to live (de Visser, 2009). The involvement of most citizens in the planning and designing as well as budgeting of developmental projects will create the sense of belongingness and ownership. In this situation, DDLG strives, when there is enough space for citizens to be involved in all stages of development from conception, planning, designing, implementation, monitoring and evaluation. There should be frequent community engagement through town hall meetings and public hearings. Furthermore, mechanisms are put in place to receive public complaints from citizens and the actions taken are expeditiously communicated and published.

Leadership and learning: DDLG hinges on committed leadership that is embedded in the right context (Fritz & Menocal, 2007). LGs must build social capital, stimulate the finding of local solutions for increased sustainability, and stimulate local political leadership (de Visser, 2009). In the leading role, DDLG ensures that LG creates local network and brings all stakeholders together to have a shared vision and growth. DDLG ensures that human resources are empowered to contribute meaningfully. Human development activities becomes a priority. Thus, investing in the human capital to acquire the requisite knowledge to contribute meaningfully to the developmental vision of the municipality. Close to leading is the learning and experience sharing. For DDLG, LG learn from the success of other territories about the process of development.

The defining features of a DDLG are that it “ensures that citizens participate in the development and governance processes,” and it “fosters pro-poor, broad-based economic growth and humane development.” This implies that the state must be capable not only of transforming its productive base, but it must also “ensure that the economic growth improves the living conditions of the majority of its people” (Kanyenze et al. 2017:20).

Mkandawire (2001:308) argues that to have a developmental local government, LG should operate within the context of ‘democratic politics’. This means that all of the activities of the state should be shaped by major democratic principles such as consultation, debate, pluralism and accountability. Importantly, the state’s modus operandi should be framed by a “development ideology” that prioritizes socio-economic development, and the resulting transformation of the lives of citizens. Thus, to achieve a DDLG, there is a need to have institutional reforms of the State, electoral and political party systems and
civil society and private sector participation (White, 1995).

6.0 Implications of Democratic Developmental Local Governance for Ghana (DDLG)
The implications of DDLG for Ghana is discussed below;

- **Decentralization and Local Governance Policies and Practices**

Ghana has experienced Decentralization and Local Governance in many forms since her independence from British colonial rule in 1957. These types of decentralization have gone through reviews but the desired results and outcomes remain largely unachieved. In a comprehensive sense, since 1988, the current decentralization programme has been implemented but it continues to remain slow and manipulative from the CG. Though, the three (3) types of decentralization; namely administrative decentralization, fiscal decentralization and political decentralization have been introduced, they remain in a piecemeal. Ghana’s CGs have been more interested in deconcentration than devolution even in the space and pace of multi-party democracy since 1993. Deconcentration affords CG the opportunity to disperse its agencies and personnel to the local level to implement policies and programmes on behalf of CG. The bureaucrats sometimes without understanding the impacts of the policies, since they are usually not part of the conception, formulation and adoption of the policies. In some instances, they become ‘delegated local bureaucrats’ without decision making powers and resources and have to mostly take permission and approval from the centre before implementation of policies and programmes.

Ghana’s decentralization has been sequentially introduced in the form of administrative, fiscal and political decentralization. The CG continues to appoint the most significant positions in the 260 LGs in Ghana, thus, the appointment of the Chief Executive (or Mayor) and additional 30 percent of General Assembly members. This situation makes CG to have a strong hold on the activities and plans of LGs in Ghana. Devolution of power and authority as well as resources are chequered. Given that CG has been less developmental but competitive clientelistic, the same principles have been translated down to LG in a clandestine apolitical LG.

At the backdrop of the above, LG leadership has little vision of their own and hardly are programmes implemented without recourse to CG. LG in Ghana is hardly ‘Developmental’. LG finds it difficult to deliver basic services such as water, sanitation, housing, education and let alone promote LED and job creation. CG continues to direct and control the pace of development at the local level against the principle of subsidiarity. About 60% of CG transfers to LG are deducted at sources for implementation of priorities set by the CG.

Notwithstanding the aforementioned challenges Ghana’s practice of democracy and good governance presents a fertile ground to nurture and realise a DDLG. Ghana stands a great chance of becoming
more developmental just as other African countries like Botswana, Rwanda and South Africa. Ghana has a huge advantage with its growing democracy. Since 1992, Ghana has had the benefit of conducting eight (8) successful elections with minor disagreements. These elections have provided the opportunity for the practice of multiparty democracy. Though there seems to be a duopoly with always the National Democratic Congress (NDC) and the New Patriotic Party (NPP) forming the governments. Interestingly, there is that political settlement of not going to ‘war’ over electoral disagreement but appreciate the competition of ideas. There is strong support for constitutional rule, democracy and good governance among the various political stakeholders and interest groups (Oduro, Mohammed, & Ashon, 2014).

It is against this background that, the researchers examine a more ‘Democratic Developmental Local Governance in Ghana’. This situation in Ghana, becomes a fertile ground to sow the seed of DDLG. The introduction of DDLG is based on overwhelming evidence witnessed in other developmental states and developmental local government in Africa. Without a more developmental local governance, Ghana will continue to remain a middle income country and may fall back into lower middle income. It is imperative that, the principles and actions of developmental local governments are adapted to fit the Ghanaian context. Ghana is a very liberal and rich country that boast of valuable natural and human resources at all levels. Though the developmental state was success under an autocratic state, developmental state can still strive under a democratic state (Fritz & Menocal 2007). It is a great opportunity to tap into the resources and knowledge to shape and transform local development at the pace it deserves, hence, DDLG. The lessons of developmental state in East Asian, the Nordic countries and growing economic powerhouses such as Botswana, Ethiopia, Rwanda and South Africa are worth applying in a more stable and democratic Ghana. The Essential of Developmental States have great implications for Ghana’s DDLG.

- **Political Will and Leadership**

At the heart of this development is the role of the political leadership in helping create sound institutions as well as institutional reforms, which play a major role in the facilitation of political stability and sustainable economic development. Political will was very strong in propelling the East Asian and Rwandan developmental agenda. Leftwich (2000) argues that the success of developmental states relies on a political elite that is developmentally driven and committed to the cause of attaining economic growth. The political leadership relied on the people through policies and participation. A development-oriented political leadership has the ability to inspire confidence by directing the state’s capacity towards developmental outcomes. Total devolution should be the norm for DDLG. Ghana’s current decentralization and local electoral system is nothing close to a developmental local governance. The direct election of District Chief Executives (Mayors) is long overdue.
There should be a political will and consensus to fully get the key positions at the LG level to be elected directly by the people. A partisan approach is usually introduced in the electoral process to ensure competition and quality candidates are elected. A combination of the first past the post and proportional representation are used to determine winners and broad based representation on the local councils. The proportional representation is set up to cater for women, physically challenged and minority groups at the local level. DDLG will then open up the space for better political settlement on issues and resource allocations.

Ghana’s multi-party democracy has not been particularly developmental. Politicians have found cheaper and more assuring ways of winning election through vote buying than promises to improve policies and the delivery of public goods. Democratic developmental LG works with leaders that mobilise what Booth calls sufficiently inclusive coalitions of support, that are able to show that they can ‘get things done’ (Booth, 2011). The political elites in Ghana, will have a consensus on a broad-based and inclusive industrialisation policy and programmes to transform the local economies. For instance, the 1D1F will form a national policy rather than a political party manifesto.

In addition, there should be the political will for the CG creating enabling environment for the emergence of developmental local government. This includes providing regulatory support in the area of fiscal decentralization that enables LG to borrow private capital for infrastructure development that will attract private investment into the local economy.

- **Strengthen Capacity of Local Government Bureaucrats**

The state’s institutional capacity is quite critical to the successful functioning of the social democratic developmental state. This is because administrative, managerial and technical skills are required for the development process. In line with the principles and experiences of developmental state, there should be a small elite capable local bureaucrats. This is the act of ‘embedded autonomy’. Essentially, this local bureaucracy must be run by professional public servants, who are recruited on the basis of merit with secure tenure and autonomy (United Nations Economic Commission for Africa, 2011). Build competent local bureaucracy and institutions with a critical mass of highly trained and competent civil servants. The responsibilities of this local bureaucracy are to devise broad industrial policy and the means to implement it, and ensure highly regulated competition in selected sectors. These bureaucrats are professionals who work solely in the interest of the LG without any political affiliations. It is in this direction that the Institute of Local Government Studies (ILGS) is established to build the capacities of all staff in Local Government Service (LGS) and other parties interested in local governance. The local bureaucracy will have broad-based public and political legitimacy in making and implementing integrated development plans. All political parties will then move away from the
short-term programmes to a more sustainable and long term programmes. Botswana for instance had committed political leaders and talented bureaucrats committed to articulate and implement development policies and strategies given the developmental state ideology (Kiiza, 2006).

- **Accountability and Transparency**

Accountability is another major bedrock of democracy. Broadly, it entails the process of holding public officials and institutions responsible for their actions. Democratic developmental states could arise at municipal level, as city authorities forge social contracts based on local taxation and local political accountability (Bateman et al., 2011). For horizontal accountability to be effective, there must exist state agencies that are authorized and willing to oversee, control, redress, and if need be sanction unlawful actions by other state agencies. The former agencies must have not only legal authority but also sufficient de facto autonomy vis-à-vis the latter. Electoral rules, political party systems and executive government provides the opportunity for representation and accountability (Rock, 2013). Linked to accountability is transparency. The successful functioning of a democratic society requires openness in the conduct of the affairs of the state (Gurria, 2014). Besides classified information that is critical to national security, citizens should have access to information about the operation of their government, when so requested. This should cover the broad gamut of the operations of the government at various levels. This is important to building trust between state managers, citizens and civil society.

At the local level, to ensure accountability and transparency, the Presiding Member position should be reserved for members of the opposition in the General Assembly. Key sub-committees such as Finance and Administration should be headed by the minority in the General Assembly. To achieve a significant reduction in perception and incidence of corruption at the district assembly level, transparency and accountability cannot be underrated.

- **Cooperation, Coordination and Regulation of Development Plans**

Another major element is the imperative of establishing DDLG is a system of “checks and balances”, as the centerpiece of a domestic “balance of power” arrangement between the various stakeholders at the local level. Cooperation and coordination of activities between LG and Civil Society are critical for DDLG. For DDLG to be successful, there must be an effective and functional coordinating centre to ensure that, all developmental activities are in tandem to the general goal of the district. Schematically, the system of “checks and balances” should be anchored on the allocation of appropriate and sufficient powers to each stakeholder. There should not be haphazard project implementation. LG and CSOs or NGOs will work together with mutual trust. Co-production is taken to mean the involvement of NGO, CSOs and other advocacy groups along with LGs in the delivery of public services. Furthermore,
the relationship between social and civil networks and the production process is a dynamic one, where they are transformed and ‘incorporated into the institutionalised system of provision (Evans & Heller, 2014).

From this perspective, development is seen as creating enabling environments in which individuals can exercise their right to make choices as a key objective to the human development paradigm. Providing opportunities to enable individuals to participate in society; these opportunities would include access to health care, education, essential services, civil and political freedoms.

- **Local Revenue Mobilisation**

Another major foundational pillar concerns the funding of development. In this vein, the LG must develop ways in which it can generate the financial resources that are needed to fund various development projects, especially the delivery of public goods. It must be acknowledged that, external aids played a significant role in the successes of developmental states in some countries such as Rwanda and Brazil. Developmental state model received substantial foreign aid in their initial stages but weaned themselves with time. In the broad policy context of ‘Ghana Beyond Aid’, the DDLG would have to depend less on CG’s fiscal transfers and mobilise substantial Internally Generated Funds (IGF). Development partners’ (DPs) technical support to building sustainable taxation system is critical. Taxation is one important instrument that affects development (Besley & Persson, 2013; Moore, 2007). Taxes from various activities, including income, property and business, could generate substantial revenues. However, it is critical that these taxes be collect regularly and effectively. Also, the LG could make investments in various revenue-generating activities. Further, the prudent management of natural resources (for localities that are natural resources-endowed) could yield revenues. Trading in industrial goods could also generate funds. Domestic savings and the resulting capital formation could provide major revenue base. That is, by encouraging domestic savings, the LG would help “boost financial market development, and stimulate local economic growth” (Hammouda & Osakwe, 2006:4). What is significant in the Ghanaian case is the passing of the Municipal Finance Bill into law. This will essentially open up revenue options to LGs.

- **Active Private Sector Participation**

It is clear from the East Asian, Mauritian and Rwandan experiences that, the private sector had a significant role in the transformation of the economy. The State created the enabling business environment and supported the private sector to venture into more productive sectors such as agriculture, manufacturing and tourism. At the broader level, the LG should develop co-operative and collaborative relationships with the private sector and its constituent businesses, especially domestic firms. Among its many roles, the local entrepreneurial class would collaborate with LGs in the formulation and implementation of the requisite economic, financial and industrial policies. These are
critical to the development of an industrial base, job creation, economic growth, and domestic capital formation, among others. The LG should not put impediments in the operations of private enterprises. Political victimisation should have no place in DDLG. Tax incentives should be provided to attract investment into the local economy. Successful enterprises can be awarded by the local government (Melke, 2013). As Musamba (2010:24) refers to as the “state’s utilisation of a wide range of institutional instruments to poke and prod domestic firms to meet domestic and international business standards, productivity levels, and organisational and technical capacities.” In turn, domestic businesses could contribute to job creation and domestic capital formation.

- Promoting Local Economic Development (LED)

At the heart of DDLG is the promotion of LED. Turok’s (2010) recognises the role of subnational governments in advancing South Africa’s developmental state ambitions through LED. Some of the economic development objectives that were mostly pursued by the provinces included investment, trade and tourism, whereas the least included supply service of land, and the regeneration of old industrial areas (Turok, 2010). In South Africa, the establishment of the Local Economic Development Agencies (LEDAs) gave impetus to LED and accelerate local government-led development. The establishment of LEDAs can be understood through the structural component of the developmental state, where the state (the local developmental state in the case of this article) uses its administrative power, political influence, resources and capacities to achieve economic development through establishing LEDAs as economic development vehicles. However, notable market failures in South African local economies are linked to risk aversion in the financial sector, poor access to market information, poor infrastructure and poor service delivery (COGTA, 2014), while institutional failings include the lack of capacity within LGs to plan and implement LED, a lack of governance structures, a lack of funding for LED and a lack of understanding of LED (Hofisi & Mbeba, 2013; Meyer, 2014; Nel & Rogerson, 2005).

Hence for LGs in Ghana to be developmental, this implies that they are now required to go beyond the basics of service delivery and become focused on LED agenda. Districts in Ghana must then become primary actors in local economic integration, that ensures the planning, development and implementations of their own economic development strategies and programs that seeks to promote the social wellbeing, growth and prosperity of local communities within their jurisdictions and beyond.

7.0 Proposal for Change

In reality, the transformation of Districts to assuming a developmental role has been slow and challenging. The continuous dependence of Districts on CG transfers, the bureaucratic nature of municipal authorities allows them to concern themselves more with bureaucratic functions of than venture into the developmental agenda. The lack of LED initiatives
has made many LG areas less developed and this has led to the emergence of a social uprising is a radical expression of a lack confidence in the local sphere of government. The purpose of the paper is make propositions that could serve as basis for reforms and development of policy directives that could assist Metropolitan, Municipal and District Assemblies (MMDAs) to effectively achieve a developmental local government.

**Unlearning to relearn:** the ability for Districts to adopt an appropriate learning mindset and attitude is fundamental to adopting a developmental local governance approach. Districts should be ready to unlearn their old ways of doing things and change the mindset of “doing the right things” to “doing things right”. The traditional LG system functions through a strict adherence to policies, rules and hierarchy. Hence knowledge management is sometimes perceived as a private sector fad, unsuitable and impractical in the public sector. However, the increasing forces of globalisation, digitisation, changing demographics, economic uncertainties and demands is tactfully affecting the way things are run in the public sector. Therefore, District Assemblies (DAs) must learn how to navigate these challenges by unlearning their traditional way of doing things to relearning new ideas, technologies and approaches in managing LG that is fit for purpose.

DAs in Ghana should be able to learn new business strategies and approaches that would enable them effectively and efficiently respond to the developmental needs of their constituents. According to the few examples of the developmental states, there was clearly an integration of governance and economic development principles, Levy and Fukuyama (2010) postulate that dimensions of development, economic, social and politics need to be well integrated in development plans and strategies of Districts. Achieving DDLG is a multi-dimensional process of change which brings together economic, social, cultural and environmental dimensions with innovation across and in the spaces. This multidimensional process entails a wide range of tasks and activities that Assemblies must learn and be in readiness to have a change of attitude. This hinges so much on the ability and willingness of DAs to collaborate at all levels for learning and knowledge transfer can occur.

**Political Economy Analysis:** The transition from apolitical service oriented LG system to DDLG requires a politically smart approach to context analysis, programming and related policy dialogue with partner governments and other stakeholders. The defining feature of this analysis is a clear articulation and firm commitment of political actors and technocrats to local economic transformation. LG must be empowered to deliver economic development in an innovative and competitive manner. This of course would require major legal and policy reforms, because within the public sector discourse, whatever a particular organ of state does has to be legitimized by means of a public policy approved by the relevant legislative authority. The effectiveness of the
consensus building process and the clarity of the policy instruments and directives makes it easier to align political and administrative structures to fit the purpose. Analysing the political feasibility of achieving a developmental LG is a pragmatic approach that could enhance the autonomy and accountability of LG to become effective developmental actors. More importantly is the need to understand how politics can either create opportunities for our decentralization to be more effective or rather constrain its effectiveness. For instance, the same political motives which often drive decentralization reforms in the first place may run counter to assigning LG a meaningful developmental role for the fear of the ruling party losing control and fame. Hence the disconnect becomes glaring when LG t are denied the autonomy to drive their local developments.

**Collaborative Partnership for DDLG:** It is being a challenging task for LG to construct and maintain a system which holds together all its various component (public and private sector organizations; citizens and business; knowledge-based institutions and development agencies) in a positive tension which makes maximum use of all available resources, expertise and experience (Clark, Huxley, & Mountford, 2010, s. 130). However, to achieve a DDLG, this paper proposes a strong need to promote strategic collaboration and partnership as an effective and efficient means of building collective and adaptive capacity of municipalities to adjust and provide responsive innovative solutions to the major socio-economic issues within the municipalities. The benefit of partnership creates a pool of competencies and experiences of all stakeholders thereby increasing knowledge sharing, learning and the capacity to solve problems. Within this collaboration there is an enabling environment that can address the gaps in the discourse of DDLG in Ghana.

### 8.0 Conclusion

This paper has examined how the existence of a democratic state becomes a fertile ground for the promotion and sustaining of DDLG. In synthesising the literature, the paper establishes that DDLG is borne out of a complex of socio-economic and political processes marked by democratisation, managerialism, and decentralization. It represents a new approach to the pursuit of collective welfare and developmental goals, leveraged by ideas that favour a redefinition of the role of the state and government, importantly the transfer of functions of the state and government to other actors. Decentralization of authority and responsibility below the ‘centre’ is linked to the governance paradigm and thus provides conceptual support for the perceived essentiality of LG to the creation of a democratic polity. Contemporaneously, trends in decentralization have been specific to meeting economic development ends evidenced in the decentring development discourse that makes assumptions about the role of sub-national government (Schoburgh & Chakrabarti, 2016).

For Ghana to move faster in her developmental quest, it is imperative to appreciate that, LG is a very important governance entity that must lead economic
growth and job creation as well as poverty reduction. It is imperative that, LG in Ghana move away from basic service delivery to a more transformational economic development. The time has come for Ghana, as a pioneer for self-government to embrace the principles and practices of DDLG. Historically, Ghana has become a shining example in governance in Sub-Saharan Africa. Since 1992 Ghana has had relatively stable democracy but the returns to development has not been commensurate. It is of this backdrop that, Ghana should introduce DDLG, to savage the development deficit. Implementation of policies and programmes that will significantly improve the local economies should be the way forward.

This paper sought to examine the introduction of DDLG in the Ghanaian context. This paper used descriptive and analytical approaches to establish the arguments. The paper argues that, with Ghana’s democratic credentials, it is imperative that, LG becomes more democratic in order to improve the local economies. LED is the way to go to create jobs and income growth.

Further, this paper also acknowledges that, there are serious constraints in making LGS more developmental. The paper therefore recommends that LG in Ghana should be given adequate administrative and financial support. The direct election of Mayors by citizens should be introduced immediately to promote visionary leadership and accountability. MMDAs should be given the authority to mobilise more revenues to undertake LED initiatives. Centralisation of developmental agenda and initiatives is inimical to development.
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