Title page

Do voluntary civic engagement and non-profit leadership challenge local political leadership in urban development?

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Abstract:

EU policies support a place-based approach with the increasing role of local partners in political decision-making. The current crisis of formal political leadership raises the question of whether or not formal leadership is becoming dispersed and informal place leadership can succeed in filling the vacuum.

Based on data from the implementation of 58 EU-funded Integrated Urban Development Plans in Czechia, we found that informal leadership is challenging formal local political leadership. Nevertheless, its success has been limited in obtaining political legitimacy due to missing dialogue between the local movements and nonprofit leaders when searching for solutions to local problems.

1 Introduction

Slovak president Zuzana Caputova started her political career as a voluntary environmental activist at the local level. She took part in an environmental civic initiative against a waste dump in Pezinok, Slovakia. From the local level, the case of the waste dump went on to get international recognition. Based on this case, the EU Court of Justice affirmed the public's right to participate in decisions that have effects on the environment not only in Pezinok but throughout the entire EU (Goldman Fund, 2016). Such cases challenge formal political leadership as informal voluntary civic leadership can also play a crucial role in local development as well as in influencing political decisions.

Results of some elections show a tendency to revolt against incumbent political leadership (the 2016 presidential election in the U.S., Brexit in the UK, etc.). Rodríguez-Pose (2018) talks about regions that "do not matter" and their diversion to populist political movements that question and challenge the principles on which more developed regions and societies are based – open markets, migration, economic integration, and globalization. This underlines the importance of place-based policies in which all regions and localities find their opportunity for development (Rodríguez-Pose, 2018, Barca, 2009). Such a place-based approach is difficult to be feasible without local stakeholders who participate in the preparation of visions and development strategies and their implementation (Barca, 2009). According to Potluka and Perez (2019), bottom-up initiatives of local politicians fill the gap between top-down policies and actual local needs. Does this mean that informal place leadership can compete and disperse formal political leadership?

We touch on this crucial issue and raise the question of how local political movements change place leadership:[1] Thus, the research question asks: Is formal leadership becoming dispersed and informal place leadership filling the vacuum? Using EU cohesion policy, we aim to shed light on the relationship between formal and informal leadership and politics explicitly from the place leadership perspective.

In our research, we studied urban cases in Czechia, where local stakeholders such as nonprofit organizations (NPOs) and engaged citizens got an opportunity to become partners to design and implement local development strategies. These development strategies concern integrated urban development plans (IUDPs) financed by the EU cohesion policy. In this policy, partnership, participation, and empowerment belong to an official approach. We found the

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[1] For our research, we use the term place leadership interchangeably with the term place-based leadership, used by some other authors.

theme important as the supranational rules prescribed by the European Union and the expectations on how to implement them do not always fit with national practices.

We have selected Czechia for our study as it is a country belonging among countries with the highest allocation of EU cohesion policy per capita (Gorzelak et al., 2017) as well as high activity in the implementation of IUDPs.

2   Literature review

2.1   The current approach to place leadership

Leadership concerns persuading others to voluntarily follow the leader's visions, objectives, and strategies. Place leadership's uniqueness results from the fact that each place relates to different geographical levels (from neighborhoods to regions or even states) and various social and economic relations, which define functional areas (Beer et al., 2019, Collinge and Gibney, 2010a). This uniqueness results from interpersonal connections between individuals engaged in activities of their place. Because of these personal bonds and networks, major changes in place development can occur (Sotarauta and Mustikkamäki, 2012, Collinge and Gibney, 2010b).

Contemporary research points out a crisis in leadership as we knew it before (Rodríguez-Pose, 2018). Sustainable regional development is challenging to achieve in practice because of constraining rules and procedures, short-term perspectives, and conflicts of interest. Leadership varies in situations and contexts but is still seen as central to good governance. This includes individuals who promote the public interest as well as those who can help to build social capital and drive transformation (Sotarauta and Mustikkamäki, 2012). No two states are the same, as public services and leadership are products of particular socio-political, historical, and cultural developments. Similarly, while two places are never facing the same challenges, in the on-going context, leadership is a significant factor in how to find innovative ways of providing public services, enhance local and regional performance and make the best use of limited resources (van Aalderen and Horlings, 2020). State interventions are often insufficient because regional development needs to be a collective process involving networks of public and private actors in which no organization has primacy in governance (Padt, 2006). This relates to government failures and the necessity to provide public goods by private or civic sectors (Steinberg, 2006). To overcome these and many other potential bottlenecks, policy-makers need to better consider soft factors than has been the case so far. Though the places differ, successful place leadership is characterized by five general characteristics. The first aspect relates to (i) improvement of the quality of life in a place (Hambleton, 2014) achieved through the other defining

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characteristics of successful place leadership; (ii) functional networks; (iii) dialogue among stakeholders; (iv) political support and funding; (v) sharing of power and knowledge (Sotarauta, 2016, Potluka et al., 2017a, Horlings and Padt, 2013, Hambleton, 2014, Kalu and Remkus, 2010, Broadhurst et al., 2020). The last two points are especially connected with political decision-making and public value creation (Andrews, 2019). People are more interested in activities creating private value performed either individually or via reciprocal activities (Zarubova and Svecova, 2019) rather than activities producing mainly public value (Alford and Yates, 2016).

This also concerns the role of local stakeholders such as local activists and local nonprofit organizations (NPOs). According to recent development in place leadership, political leaders need to rethink operations and seek collaborative relationships with non-state and civic actors to develop innovative ways of driving local, urban and regional change, even though diverse legal and constitutional arrangements may already exist. Thus, place leadership in its multi-agency and multi-level character (Horlings et al., 2018) needs to include, among others, local business leaders, universities, churches, nonprofit organizations, or quasi-governmental bodies (van Aalderen and Horlings, 2020).

Politicians and public servants represent formal place leadership while activists and NPOs form informal place leadership. Formal, hierarchically organized structures characterize formal leadership, which is something that is missing in the case of informal leadership (Scheele et al., 2019). Interaction among stakeholders from both groups determines the success of the place leadership and place development. Success does not tacitly come with formal leaders elected in state elections as informal leaders also have their visions and can collaborate to materialize or oppose the political leaders' visions. Both formal and informal leaders dispose of various power to share.

For a number of years now, the dominance of business groups in urban development has eroded (Nevarez, 2000, Pacewicz, 2015). Current practice and discussion point out the importance of the philanthropic and nonprofit sectors in urban development (Strom, 2008, Reckhow et al., 2020). Thus, we concentrated our research on the role of nonprofit leaders and their engagement in local development, though business stakeholders also remain relevant partners for the public sector. Based on this discussion, we wanted to test whether **informal leadership does successfully compete with formal political leadership at the local level.**

2.2 Contesting or sharing political power among place leaders?

Both formal leadership, represented by elected politicians, and informal leadership, represented by voluntary activists and nonprofit organizations´ leaders, need to share power in order to achieve the success of their visions. Elected politicians deal with formal political leadership defined by elections. They dispose of public budgets to provide material rewards and finance implementation of their visions (Sotarauta, 2016). Informal leaders do not dispose of this type of political power. For example, leaders of NPOs are strongly dependent on fundraising and the financial capacities of NPOs are not strong (Potluka et al., 2017c, Potluka and Svecova, 2019). NPO leaders employ the power of engaging others, expertise, and information provided to other stakeholders as well as variety in social networks (Sotarauta, 2016, Svecova et al., 2020). These types of power are not solely limited to informal leadership as formal leaders can also build networks and engage other people. Moreover, NPOs are usually limited by their specialization and their work concentrates on only few themes (Potluka et al., 2017b).

In both cases of leadership, power sharing of any kind helps to secure support for the leader's vision (van den Berg et al., 2003, Stimson et al., 2009, Carr-West, 2019). In the case of political leaders, the sharing of political power enables them to meet local needs and win sufficient support to be re-elected. Moreover, the participation of citizens helps the long-term sustainability of the policies' outcomes (OECD, 2001) by providing information about local needs. However, these positive aspects of stakeholder participation in political decision-making do not concern political responsibility. Political decisions are solely the responsibility of political bodies and elected politicians. Thus, some politicians reject to sharing political power, especially those who prefer conventional structures and political decision-making procedures. This was especially the case of the newly formed democracies in post-communist countries in the 1990s (see, for example, the antagonistic visions concerning the role of the civil society represented by Vaclav Havel and Vaclav Klaus in the Czech Republic in Potůček, 1999). The core issue was that these formal political leaders had won their legitimacy and accountability via elections, while the informal leaders from the civil society had neither such legitimacy nor accountability and their participation in political decision making could be without any subsequent political responsibility. Taking these concerns into account, we concentrated on informal movements and their attempts to win political legitimacy and accountability by standing for seats in local elections. In some countries, the debate on the role of civil society and political parties has re-started again (see, for example, development advocacy capacities in Hungary in a study of Potluka et al., 2019).

Rejecting participation (including in IUDPs) can raise engaged local activism and civic leadership that will claim participation in political decision-making. If formal leaders resist hearing these voices, activists can transform their efforts into a political movement to officially stand for political seats. Either politicians have to accept the participation of civic leaders and consider their visions, or these leaders can join established political parties or create local political parties to compete for political power, though this requires much more effort than activism and campaigning (Marks and McAdam, 1996).

Lower participation and lower involvement of citizens in political issues can be caused either directly by politicians or by general practices in society. First, asymmetric information gives politicians an advantage in negotiations with other stakeholders. Gaining information is a costly process. Thus, it can lead to the exclusion of some groups of citizens. This status provides politicians with the advantage of obtaining information officially as well as the advantage of funding to obtain it. Second, on a societal level, civil society organizations play a lesser role as brokers between political representation and individuals as they did before the catch-all political parties started playing a dominant role in elections and politics (Mair, 1997). Third, societies with lower social capital witness lower political involvement as people are less actively involved in societal issues (Coffé and van der Lippe, 2010). This is especially the case of the countries in Central and Eastern Europe (CEECs) (Potluka et al., 2019).

2.3 Role of the EU in supporting participation and place leadership: the Czech case

Local or regional place-leadership is an essential contributor to the growth of regions (Beer, 2014). Thus, EU cohesion policy reacts to this need by involving various social partners and other stakeholders in designing programs and implementing policies at all levels. It also provides to the EU an opportunity to re-balance political power as well as relationships between the EU and the member states when providing power to sub-national entities (Hooghe and Marks, 2003). The EU Cohesion Policy (also called EU regional policy) is a typical example of bypassing the national political level.

The Barca report (Barca, 2009) underlines the place-based approach to regional development in an effort to enable all EU citizens the ability to utilize the advantages of EU cohesion policy. In various parts of this policy, we can find attempts to involve partners, including NPOs. For example, in rural development programs, the Local Action Groups must involve at least 50% of all partners from outside the public sector, and the development strategy should be based on the community-led local development approach (CLLD). This means that many NPO representatives successfully take part in it (Potluka and Fanta, 2021). Other cases concern urban

areas, as the European Commission introduced Integrated Urban Development Plans (IUDPs) and Integrated Territorial Investment (ITIs) programs which are financially supported by the EU Cohesion Policy. In both cases, partnership plays a vital role in its various shapes.

IUDPs were introduced in the period 2007-2013. These strategies were aimed either at problematic places or places with potential (development poles). When designing a development strategy, local stakeholders had to participate, including nonprofit organizations and individuals representing local communities. Integrated Territorial Investments (ITIs), introduced in the period 2014-2020, emphasized participation as one of their main principles, but mainly vertical partnerships between various levels of the public sector were implemented. Our main concern relates to IUDPs. In Czechia, IUDPs were voluntarily prepared and implemented by cities with a population of over 20,000. Among the 63 cities meeting the population size requirement in 2007 (CZSO, 2009), 46 cities applied and implemented IUDPs. Our data covers 35 of them. As some cities implemented more than one IUDP, we were able to cover 39 of 58 IUDPs implemented in Czechia. These 39 programs represented an investment of about 1.7 trillion EUR.

The IUDPs were based on the cities' strategic and developmental documents and were an integrated solution to the problems in the selected city zones. Their investment focused mainly on the reconstruction of public spaces, including green spaces, or transport. Within the framework of the activities, part of the funds were also invested towards human resource development.

In all phases of preparation, processing, and implementation of IUDPs, the public had to be involved, especially in cases where investment dealt with reconstructed housing (about 11% of the IUDPs´ investment in Czechia). Where cities used IUDPs to invest in public properties, the usual methods of involvement of NPOs and the public were used. Our review of the IUDPs supports the argument that business leaders were less involved in these plans in comparison to leaders from the civil society.

2.4   The local political system in Czechia

In Czechia, local elections occur every four years. The legal framework (Act No. 367/1990; Act No. 128/2000) defines the size of local assemblies, how election districts are established, and frames for management of cities. These frameworks concern not only the size of the assembly but also the requirements concerning establishing a council of the city and the requirement that the mayor must be an elected member of the local assembly (Act No. 491/2001).

Czechia applies d'Hondt's system for allocating seats in elections. The electoral system allocates seats to the parties in proportion to the number of votes obtained. However, an exact proportionality is not possible because these distributions create a fractional number of seats. The d'Hondt method minimizes the number of votes that must be set aside in order for the remaining votes to be represented in exact proportion. However, empirical studies show that d'Hondt's method is one of the least proportional methods of proportional representation and clearly favors large political parties (Benoit, 2000).

From a political perspective, the incumbent parties can strategically prepare the features of the local system for the next elections in Czech municipalities. The municipal assembly decides on the size of the next assembly and decides on the number of election districts. Together with the d'Hondt system of calculating votes into seats, this gives an advantage to political parties expecting a substantial share of votes in elections. This advantage is valid in the case when incumbent political parties can anticipate the result of future elections, especially if they expect to obtain the largest proportion of votes. Current political development seems to not be the case (Maškarinec and Klimovský, 2016). Thus, the parties tend to agree on a system enabling proportional participation (e.g., only one election district in a municipality).

The disillusionment of civil society regarding the dominant role of public and central authorities (Potluka, Špaček and Remr, 2017) has also moved to the local level (inter alia due to the above). The 2014 and 2018 elections show that established political parties and movements have lost influence and that voters are moving towards independent candidates as well as new ones (usually civic movements). It would be risky for incumbent politicians to establish a system that is advantageous for election parties with a high share of the votes in such a situation because it is difficult to estimate who will win.

The municipal assembly elects the mayor of a municipality, who must, in turn, be an elected member of the assembly. This system differentiates Czechia from other countries, in which mayors are elected directly (for Poland, Hungary, Slovak Republic, see Potluka et al., 2019). A resulting bargaining among parties in the assembly to form a governing coalition is always an ensuing issue.

3   Data and methodology

We used three primary sources to collect data for our research. The first was desk research. In this case, we paid attention to academic studies which dealt with the topic of integrated urban development strategies and integrated territorial investments, both generally and in our chosen locations, specifically. Furthermore, we also paid attention to grey literature such as strategies

of selected localities and methodological guidelines for their preparation published either by the EU or national authorities. In all available IUDPs strategic documents from Czechia, we analyzed five aspects of preparation – (i) the role of NPOs; (ii) the role of individuals; (iii) the value-added from local individuals and NPOs to the strategy; (iv) total investment within the IUDP; (v) share of investment from IUDPs invested in a private property. We used a five-point scale to evaluate the fulfilment of the three criteria, with the value 5 being the highest fulfilment of the criteria (for example, in the case of NPO roles, NPOs were willing to take part and were welcomed by the public sector), 3 being mean value (either relevant NPOs or the public sector showed interest in collaboration, but with neither partner reacting), and 1 being the lowest (no NPO shows interest in taking part nor are any invited by the public sector). We also applied similar logic to the variables (ii) and (iii), collected from the IUDPs. Variable (iv) is a sum of the financial allocation in a particular IUDP, and variable (v) is calculated as a share of the investment directed towards private property out of the whole investment in a particular IUDP. We collected data from 39 of 58 IUDPs (in 35 of 46 cities) implemented in Czechia. The missing cases not involved in our sample are those where the cities did not publish IUDPs on their websites.

The second source of data comprises information about local political life. This dataset includes variables concerning the municipalities and local elections such as (i) population size;(ii) size of the electorate for three consecutive local elections (years 2006, 2010, and 2014); (iii) share of votes for each political party in each local election; (iv) information on whether a political party has members in the national Parliament; (v) number of candidates for a seat in a municipality; (vi) number of seats won by each party; (vii) electorate participation; (viii) civic engagement calculated as the number of candidates divided by the number of seats in the assembly. We collected this data from the Czech Statistical Office (CZSO, 2020). We needed to recalculate the variables as the data reflect the static situation in a particular year. We have taken the change of shares of seats in local assemblies and votes obtained by local parties as variables measuring the change of informal leadership in political leadership. The rest of the variables define the covariates. For this purpose, we compared the values of variables between the Czech local elections in the years 2006 and 2014 as dependent variables in our models.

The third source are interviews with stakeholders who directly contributed to the design of strategies and then to their implementation. We interviewed both public servants and activists as well as people working in nonprofit organizations during April and May 2019. We contacted the respective departments in all cities implementing IUDPs to conduct the interviews. The twelve interviewees represented departments at municipalities responsible for local

development and preparation of development strategies. Moreover, we also interviewed two interviewees from the Regional development council who took responsibility for the allocation of funds and the implementation of projects at the regional level (including help to municipalities). These interviews covered 19 of 58 IUDPs. The response rate is given by the fact that the cities implemented the IUDPs in the period 2009 – 2015 and only officials directly involved in the implementation of the IUDPs were interviewed. We did not interview officials without direct experience with IUDPs. We took the names of the NPOs and the inhabitant´s representatives from the text of the IUDPs. Among the NPO representatives, we obtained three interviews relating to seven IUDPs.

The interviews concerned the local strategies implemented in the selected localities. We have information on processes during design and implementation of the strategies and about practices used to involve local stakeholders to take part in the processes as well as the sustainability of such participation and information on actual implementation processes. We have used the interviews to qualitatively explain the results obtained from testing the quantitative data.

The three local election periods in our sample helped us to cover the periods prior to the design, during the implementation, and after the implementation of the IUDPs. The local elections in 2006 represent a period prior to the design and implementation of local IUDPs, while the elections in 2010 are in a period after the design but still before their actual implementation. The last elections in the year 2014 cover the period just after implementation.

Table 1: Descriptive statistics of the variables relating to the IUDPs

	N	Min.	Max.	Sum	Mean	Std. Deviation
NPOs as partners	35	1	5		3.012	1.631
Inhabitants as partners	35	1	5		3.067	1.119
The added value of NPOs/inhabitants	35	1	5		3.228	1.062
Investment with private effect (mil. EUR)	36			188,503	5.236	4.191
Investment with public effect (mil. EUR)	36			1,465,420	40.706	51.387
Total investment (mil. EUR)	36			1,653,922	45.942	51.088
Assembly size 2006	44	21	55		33.59	8.83
Electorate size 2006	44	16,230	318,717		52,774.45	57,717.53
Share of votes for local parties 2006	44	0.00	41.56		14.64	9.75
Civic engagement in elections 2006	44	6.00	15.89		8.66	2.14
Share of seats won by local parties 2006	44	0.00	40.00		12.26	10.46
Assembly size 2010	44	21	55		33.75	8.83
Electorate size 2010	44	16,388	316,756		52,182.98	57,174.39
Share of votes for local parties 2010	44	0.00	55.15		20.95	12.93
Share of seats won by local parties 2010	44	0.00	57.78		20.42	14.57
Civic engagement in elections 2010	44	6.09	15.31		10.74	2.03
Assembly size 2014	44	21	55		33.30	8.81
Electorate size 2014	44	16,066	309,677		51,146.02	55,884.15
Share of votes for local parties 2014	44	0.00	55.15		20.95	12.93
Share of seats won by local parties 2014	44	0.00	62.22		23.44	15.35
Civic engagement in elections 2014	44	6.00	17.65		11.77	2.32

Some authors use the share of the electorate as a measure of civic engagement (Budd et al., 2017), but this can be strongly influenced by the legal framework, especially whether participation via casting a ballot is obligatory. Simple participation in elections measures only passive participation and not engagement. In our opinion, the number of candidates per seat can better measure the actual active involvement of citizens in local political life. It reflects that people must make an effort to become candidates and stand for a seat in a local assembly in order to achieve their aims in local politics. Although the assembly can decide about the size of the future assembly, between the years 2006 and 2014, only six cities changed its assembly size. In our sample, an increase occurred in four cities (three to six seats), and a decrease twice (two and three seats).

We divided the analysis into two parts. First, we compared the means of the variable development of political engagement (candidates per seat) in various years by (t-tests) and by visualization in graphs. We did the same with electoral wins of local parties and informal movements (seats won by them). Second, two models were created to test the dependence of the change of political engagement (model 1) and change of seats won by local parties and informal movements (model 2) on various regressors. These regressors were: (i) electorate size 2006 supplementing the size of the municipality, (ii) NPOs as partners and (iii) inhabitants as partners depicted the quality of partnership with NPOs and inhabitants of a city, respectively. (iv) Change of participation was the change of electoral participation in the years 2006 (before IUDPs´ implementation) and 2014 (after the implementation), (v) total investment and (vi) share of private investment represented the size of the investment and the share of private investment on the overall investment within an IUDP.

We defined change of political engagement by the number of candidates per seat. If people are more engaged, the number of candidates per seat should increase. We measured the success of local parties by their share of seats won in elections. We calculated the change of both variables between the years 2006 and 2014. Our intention was to test a situation where informal leaders are given the opportunity to work with formal political leaders on urban development plans. We assumed that cities with higher quality of partnership would witness lower political competition from local parties as they have other means for participation in local political decisions. In cities where the partnership does not work well, the informal movements try to win political legitimacy by standing for seats in local elections.

To avoid multicollinearity in the model, we tested for correlations among the variables. Variables strongly correlating with others were eliminated from the model.

4   Results and discussion

4.1   Political development in Czech cities

Passive participation in political life

There is usually little interest in people to be engaged in public affairs in Czechia. This relates to a generally low social capital within the country (Coffé and van der Lippe, 2010, Potluka et al., 2017a). People are not much involved in political issues at the national level, while at the local level, there has been a gradual increase in the involvement of independent candidates (Maškarinec and Klimovský, 2016). The data analyzed by us show the variability of voter turnout in local elections during the period under review. In 2010, voters' interest in local elections was highest, while in 2014, the lowest (this corresponds with the general voter turnout in the whole Czech Republic). T-tests prove statistical significance between the years 2006 and 2010 (increase +3.18% in 2010, p-value 0.001) and between the years 2010 and 2014 (decrease -5.34% in 2014, p-value 0.000). These results capture the general mood of the population concerning politics. The electorate turnout in Parliamentary elections has decreased gradually from 64.47% in 2006 to 59.48% in 2013 (CZSO, 2020). Czechs, however, have perceived their ability to influence local politics as higher in comparison to national politics (TNS Political & Social, 2013). At the local level, participation in elections is among several of the possible ways to take part in local decision-making, while at the national level, the electorate does not have much contact with elected politicians.

Informal leadership: An active engagement in political life

The development of local engagement stands in contrast to the passivity of political participation. The intensity of political engagement of local leaders (measured as the number of candidates per seat) increases with the size of a municipality (see figure 1). Figure 1 also shows a boosting of political engagement throughout the whole period of years 2006 to 2014. More and more people took an active part in establishing local political movements and political parties, or stood for a seat on the lists of national political parties. Active participation in local political life significantly increased between the years 2006 and 2010 (increase +2.078, p-value 0.000). Between the years 2010 and 2014, the increase was +1.025 (p-value 0.030).

Figure 1: Candidates per seat in the years 2006, 2010, and 2014
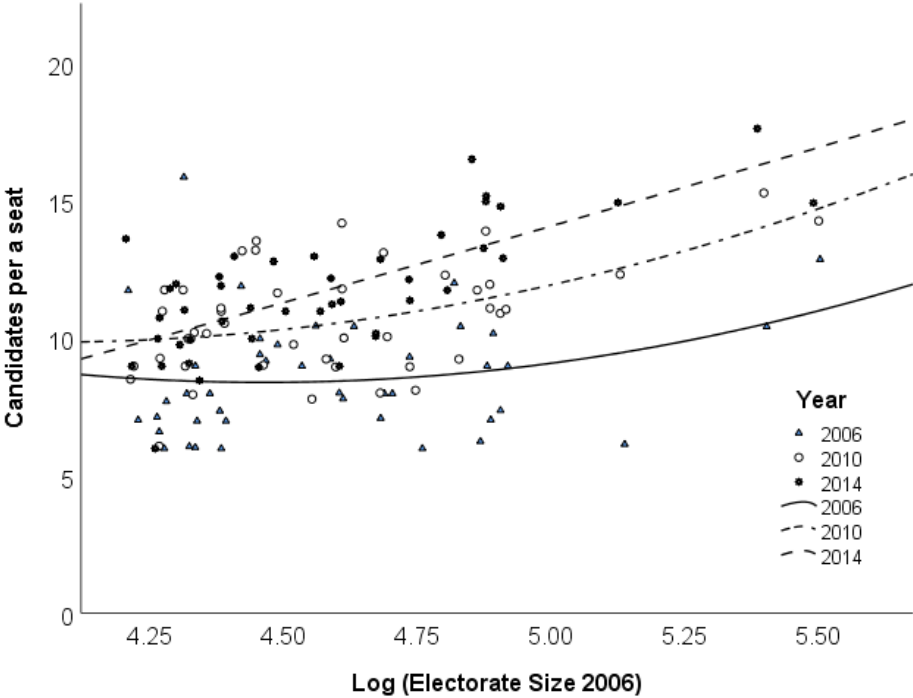
Source: Own elaboration based on CZSO (2020)

Based on our research, the increase in political engagement happened mainly due to dissatisfaction with the functionality of the local governments in the cities surveyed. The increase in the number of candidates was mainly related to local movements that had not run in previous elections. These movements usually carried names expressing dissatisfaction with the functioning of the political representation so far – for example, Perspective, SOS, Our City, and very often names containing the word "alternative", "open city hall", "new future", or "change". These names document growing opposition against the incumbents at the local level.

Political success or failure?

Local informal leaders increased their political activity especially between the years 2010 and 2014, when the share of local political parties among all parties standing for seats in our sample increased by 10.2% (p-value=0.000), while between 2006 and 2010 their share was more or less constant (-0.02%, p-value=0.496).

The number of local political parties and movements in our sample increased by 26.3% between the years 2006 and 2010 and by even 48.3% between the years 2010 and 2014. While during the elections of 2010 the number of seats won by local parties increased by an enormous 72.3%, in the year 2014, this amount increased by only by 11.5% (for overall development in the surveyed cities, see figure 2). Still, except for the year 2010, the share of seats won by local

parties was always lower than the share of votes they attracted. In the Czech political system, this means that local parties usually attracted a lower number of votes, and thus the d´Hondt system of recalculation of votes to seats provided the local parties a disproportionally lower number of seats in comparison to the national political parties. This result is caused by the high number of local parties competing against each other. It shows that the local informal leaders were not able to find common approaches.

Figure 2 Seats won by local parties and movements in the years 2006, 2010, and 2014.
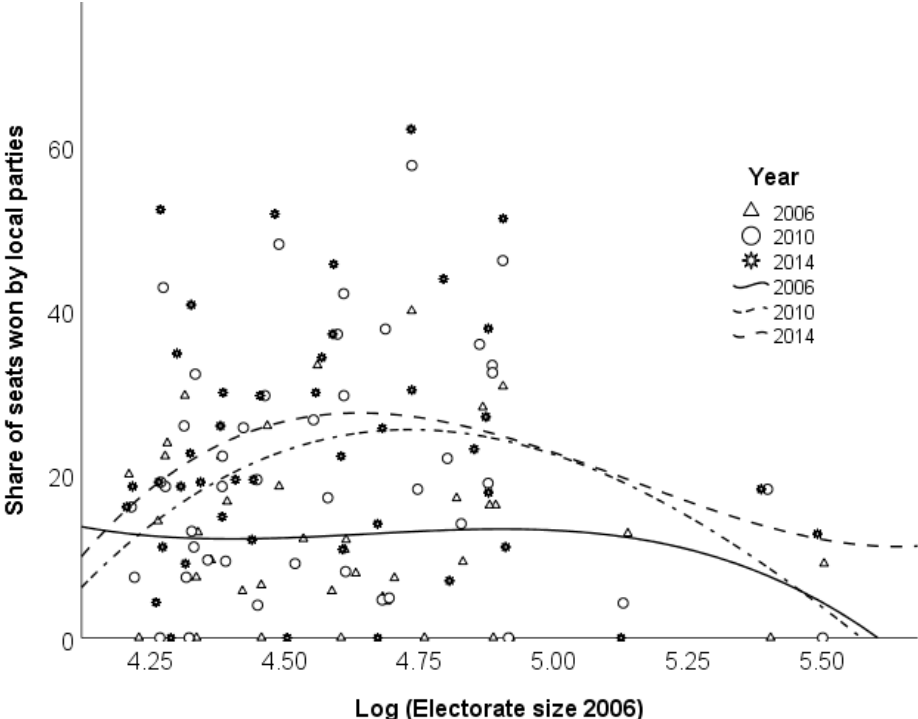
Source: Own elaboration based on CZSO (2020)

Figure 2 also shows that there is minimal average difference in seats won in some cities for the various years. This is valid especially for cities of size up to 25,000 voters and cities above 100,000 inhabitants.

4.2   Importance of IUDPs for development of local political culture

The design and implementation of IUDPs enabled direct participation of engaged citizens and NPO representatives. However, enabling participation in strategic processes is not a sufficient condition for successful cooperation between engaged citizens and nonprofit organizations and the public sector. The considerable variability in the intensity and quality of involvement of

other partners (see table 1) shows how important leaders on both sides – political and NPOs - are. According to our interviews, the means for how to collaborate were dependent on the personal approaches of the leaders.

> *The cooperation [between NPOs and the city] lasts for several years*
> *with a group of engaged people who are still the same. However, a*
> *small generational change is already evident (INT-10).*

The public sector officials were oriented towards fulfilling the requirements of the IUDPs implementation. Thus, if there was a limited willingness and readiness on the part of formal political leaders to collaborate with other stakeholders, they involved local partners only formally and with the role of stakeholders being only to accept or make minor amendments to the proposed investments. As one interviewee from an NPO stated:

> *We had more or less an advisory function - e.g. different routing of*
> *sidewalks, placement of benches, planting of greenery, etc. (INT-11).*

The usual policy-making portfolio was applied without additional efforts to involve other stakeholders beyond the usual approaches. In such cases, the information and financial superiority of the public sector usually enabled their dominance over other stakeholders. The interviewees from NPOs confirm this. Public officials perceived NPOs as providers of knowledge of local needs, but such a role was diminished after acceptance of the IUDPs for funding.

Statistical tests did not show any significant link between the level of IUDPs implementation and change in civic political engagement at the local level (see table 2). Interviews with actors involved in the preparation and implementation of IUDPs provide evidence that local politicians used IUDPs as one of the funding sources for development projects. This confirms that the channels of communication were the same as in other cases of local policies, and local politicians made no extra effort to find partners and incorporate their ideas into IUDPs. One interviewee documents the intensity of mutual communication by stating:

> *The public hearing was attended by approximately 20 citizens from*
> *the professional and lay public. (INT-14)*

The results also exhibit that the implementation of IUDPs did not affect the political behavior of any of the local political stakeholders. Neither the quality of the partnership between the public sector and NPOs nor with local inhabitants had a statistically significant effect on the actual consecutive political behavior of nonprofit leadership and engaged citizens. In the case of NPOs, the coefficients can reflect the capacities among NPOs. If NPOs and local movements were capable of participating in the preparation and implementation of IUDPs efficiently, they

were also capable of political actions, thus being able to increase political competition by standing for seats in local assemblies.

Table 2: OLS estimations of the role of IUDPs in shaping local politics

	Change in political engagement		Change of seats won by local parties	
	Coefficients	p-value	Coefficients	p-value
Constant	-0.629	0.736	5.315	0.143
Electorate size 2006	-1.856E-6	0.859	-2.586E-5	0.200
NPOs as partners	0.211	0.551	1.194	0.086
Inhabitants as partners	0.061	0.899	-1.169	0.211
Change of participation in elections (2014 – 2006)	-0.083	0.636	-0.060	0.856
Total investment (mil. EUR)	0.002	0.003	-1.455E-5	0.990
Share of investment with private effect %	0.037	0.168	-0.026	0.615
Change in political engagement (2014 – 2006)			0.111	0.760
R-sqr.	0.338		0.171	

Source: Own elaboration based on CZSO (2020) and IUDPs

According to the results, we made two conclusions. First, informal leadership does not compete successfully with formal political leadership at the local level. Second, we cannot confirm that implementation of IUDPs helps to increase the role of local leadership through local movements.

4.3   Discussion

In our paper, we tested whether the IUDPs that were supposed to use participation actively somehow changed the political approaches at the local level in Czech cities. The results show that irrespective of whether NPOs or engaged citizens have been successfully involved in the preparation and implementation of IUDPs, the implementation of IUDPs does not have a statistically significant effect on the change in political behavior of local nonprofit leaders, their willingness to compete for seats in local assemblies, or their actual success in elections. Thus, we can say that wherever IUDPs have been implemented, political practices have not changed. We see three reasons for such a result.

First, based on interviews, public officials understood IUDPs as being a source of funding for investment projects. Partnership and participation were taken primarily as a requirement imposed by the donor – the EU. This approach is reflected in the lower intensity of population involvement as well as lower participation in the IUDPs´ design and implementation (see above

the citation from interview 14). Primary responsibility was borne by the cities, which sought to prepare investment projects for EU funding. In some cases, when the cities realized that some priorities would not be financed, they stopped working on them. If these projects were necessary, they would not have been canceled, even if not funded by the EU.

Second, providing information to citizens was done throughout standard information flows. Public administration invited citizens to inform them about the investment project fiches during the meeting of municipality assemblies. This was primarily a one-sided information flow from the municipality to its citizens. In the phase of preparing strategies funded by the EU funds, it was evident that citizens did not grasp the rules given by the EU programs. In the case of discussions on specific investment projects, people were aware of their needs and the possibilities of programs, but their presence in working groups was primarily used to prove accountability of the actions taken (Peters and Pierre, 2004, Scharpf, 2007, Geissel, 2009), not to increase empowerment and capacities among stakeholders. This concerns the issue that formal political leaders bear political legitimacy and accountability, while none of the informal leaders or other stakeholders do.

Third, a higher level of citizen trust and social capital correlates with more substantial social and political involvement. In the country of our sample, Czechia, an authoritarian history has had a strong negative effect on civic involvement which continues even thirty years after the start of the social transition towards a democratically open society (Hooghe and Quintelier, 2014, Potluka et al., 2019). Moreover, Czechia also belongs among the group of low-income countries within the EU (but not globally), with a lack of good governance and a relatively high level of corruption, which negatively impacts the efficiency of participation (Tavits, 2008, Neundorf, 2010). While these factors hinder participation, higher financial allocations from the EU on IUDPs can attract lobbyists and rent-seeking activities (Milio, 2014).

In our case, low social trust relates to the increasing number of competing local political movements and the increasing number of quasi-political leaders (including nonprofit leaders). This increasing number of political movements documents the low social capital among local stakeholders and the inability of local nonprofit leaders and activists to find common political objectives with the formal political representation. This conclusion also concerns the nonprofit leaders and activists themselves. As dialogue is also missing among these leaders, new communication channels need to be found to communicate visions and to establish effective functional networks similar to places with successful place leadership (Sotarauta, 2016, Horlings and Padt, 2013). There has long been a communication problem among Czech NPOs (Potluka et al., 2017b). Moreover, the increasing number of political parties and movements

shows an inability to share political power. All local leaders compete for formal political power instead of sharing it, which leads to low success in implementing development strategies (Hambleton, 2014, Sotarauta, 2016).

We see that the IUDPs were primarily used as a technical instrument and did not change the political behavior of local political stakeholders. Local initiatives appear to compete for political legitimacy and accountability when people are not satisfied with local development policies and the politics implemented by local incumbents. Though the number of local political movements has increased in all following elections, these movements are less capable of getting political power effectively and efficiently. They have usually been standing for seats separately, despite usually campaigning for very similar political aims. Moreover, upon winning a seat in an election, these local movements have then failed to successfully create viable political coalitions which would allow them to increase their chances of obtaining more seats in the assembly in the following election. This fact underlines the factionalism among the local nonprofit leaders and activists (Potluka, Špaček and Remr, 2017).

For actual collaboration, the stakeholders need to (i) know how to collaborate; (ii) be willing to collaborate; (iii) be able to collaborate in similar ways as when volunteering (Hager and Brudney, 2011, Haski-Leventhal et al., 2018). For a successful collaboration, all three requirements must be present. If any one is missing, the stakeholders do not collaborate. In the case of IUDPs in Czechia, we have found in interviews that people and NPOs know how to collaborate. We have also found increasing willingness to take part in political decision-making among local NPO leaders and engaged citizens, but still, very low willingness to collaborate with other stakeholders as each entity prefers their own aims firstly without compromise (Potluka, Špaček and Remr, 2017).

Concerning the ability to take part in local political decision-making, this is limited by the approaches implemented by incumbent local politicians. In a limited number of cases, we saw that NPOs and engaged citizens were able to collaborate in both IUDPs and routine political decision-making, but generally, this was not the case in the cities in our sample. The stakeholders lacked the capacity to do that. Additionally, the burden of studying the EU guidelines and documents is time-consuming for local leaders who would prefer to concentrate on more local issues.

Not all defining characteristics of successful place leadership have been met. Among the four characteristics – networks, dialogue, political support, and sharing power (Sotarauta, 2016, Potluka et al., 2017a, Horlings and Padt, 2013) – we found only some of them functioning. Local nonprofit leaders are able to build functional networks, but dialogue among stakeholders

and sharing power was missing or only limitedly presented. Moreover, it seems that if a local movement wins seats in a local assembly, it transforms into a classical political subject that limits the ability of other stakeholders to take part in political decision-making if such stakeholders do not already dispose of political power too. Local political movements and local nonprofit leaders are active only at the local level but do not intervene in higher levels of policy-making to develop their political careers (see, for example, Bernard and Šafr, 2016, Ryšavý, 2016).

5   Conclusions

On the data from the implementation of several IUDPs in Czechia, we can make two conclusions. First, formal leadership does not become dispersed. Formal leadership still has legitimacy gained through the election process, although formal leadership of established national political leaders is losing ground. Our results confirm increasing political competition among local parties and informal leaders. Informal leadership was able to achieve partial success in an increased number of votes obtained during local elections as well as winning an increased number of seats in local assemblies.

Second, informal place leadership is not capable of filling the vacuum if people are not satisfied with the local political decisions made by formal political leaders. The number of seats in assemblies is disproportional to the number of movements standing for seats and the number of voters they attracted. Informal leadership suffered from a lack of communication among their leaders and often competed with each other.

The study confirms a greater need than ever for place leadership to work across the old and emerging divides, especially concerning dialogue and the finding of common solutions. These results confirm how important functional networks are as well as dialogue among stakeholders, political support and funding, and sharing power for successful place-based leadership. Even if informal leaders win substantial numbers of seats in local elections, they are pushed to start political coalition negotiations, similarly as do the classical political parties

Although the EU supports participation and partnership among stakeholders in regional development, we did not find any statistically significant effect of the implementation of IUDPs on political participation and, subsequently, to political competition at the local level. The incumbents managed the IUDPs as usual programs without any strong decision-making role of the local stakeholders. This conclusion confirms the importance of legitimacy and accountability in formal political leadership.

Our contribution concerned challenging formal political leadership by informal leadership. Further research not covered by our contribution should investigate the further steps which can appear after nonprofit leaders became formal political leaders. Do the nonprofit leaders lose their nonprofit leadership and became more formal, or are they capable of keeping the informal part of their leadership? Moreover, our data covers only one country, but IUDPs have also been a popular tool in other EU member states, thus providing an opportunity for comparative research.

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