

## **Participatory Democracy – the Role of NGOs in Developing Process of Local Authorities**

Lainurm Kaido-Allan

### **I. Introduction**

In Estonia and other Central and East European countries a very rapid development has taken place with regard to performance of administrative reforms. The reforms can be successful only if all the members of society participate in their accomplishment. The reforms presume a social agreement, this process requires the involvement of the state, business as well as non-profit sector. Although Estonia has achieved large and remarkable success in launching fast democratic processes, however, the state and local government have shown too little initiative to involve local people and third sector in development processes. Most directly local people have been involved in local democracy by elections. The first elections to the local government in Estonia after the World War II were carried out on 10<sup>th</sup> December 1989. The local government elections in October 1999 will be the fourth one after the war and occupation period.

Estonia has approximately 4800 non-governmental organisations according to the information of the Commercial Register as of November 1998. It is quite a good indicator, but only a few of them are strong enough and are able to act effectively. Most of the strong non-governmental organisations are placed in Tallinn, the capital of Estonia and other larger centres where bigger amounts of money circulate and which have better access to fresh information and better opportunities for self-realisation.

### **II. Contribution by the state – concepts and policy**

At the state level Estonia practically does not have a structural unit which would constantly and purposively deal with the development of non-profit organisations. **The department of local government and regional development of the Ministry of Internal Affairs**, however, gathers information on the non-profit sector and participates actively in the work of several programmes, including **the programme for rural development**.

**The Estonian regional policy concept** has set out that the regional development depends above all on the local initiative. In order to support this initiative at the grass-root level, the programme for rural development was launched, aimed at waking and supporting of local initiative, up-to-date and sustainable development in the rural areas that would help to make a village an attractive place where to live. This includes:

- through courses, study circles and different projects to increase the willingness of rural people to set up their company and so support the development of small enterprises in the rural areas;
- to support the adjustment of rural people to the new situation, different from the previous agriculture-related activities, to raise their competitiveness in the labour market;
- to promote social life and make rural areas an attractive living environment.

The goal of the programme is to provide the rural people, traders and non-profit organisations with skills needed to write and apply for projects themselves. As the applications are submitted to the county development departments, the rural people learn how to communicate with the development staff at the county governments. As a recommendation must be attached to the application, communication with local government has become more intense. So this programme facilitates communication among all parties – county government, local government and local people.

Within the programme for rural development in the period from 1996 to 1998 the state has provided support to the rural areas in the total amount of 6 million Estonian kroons (ca \$ 440 000).

In 1997 a non-profit organisation **Foundation for Estonian Regional Development** was founded, the foundation rights of which belong to the Ministry of Internal Affairs of the Republic of Estonia. The objectives of the Foundation are: 1) to organise purposive, flexible and co-ordinated use of the state finances and other means allocated for the regional development of the state and to support the system of entrepreneurship, based on the regional policy of the state, and 2) to ensure stable functioning of regional development programmes and support the system of entrepreneurship throughout a year. The Foundation is engaged, among other things, in organisation of the use of means intended for the regional development programmes and co-ordination of the regional development programmes. The Estonian Regional Development Foundation belongs to the Estonian Association of Non-profit Organisations and Foundations and as a supporting member to the Chamber of Commerce and Industry and the Chamber of Agriculture and Commerce.

**The bases for development of public administration** (also named as the concept of public administration reform) have been prepared in Estonia and they are ripe to go to the government, implementation of them would raise the quality and competitiveness of the services of public administration, optimisation of functional and territorial structure and of administrative expenses, development potential of municipalities, towns, counties and the state as a whole. It is important to note in connection with this topic that the said document establishes as an important task potential transfer of the functions to the private sector and the third sector – the ineffective fields of public administration and the services of public administration institutions not related with the administrative functions are detected and passed to the private sector or third sector, leaving to itself only strategic (when giving up the control over the process may danger the capacity to have an impact on the functions of key areas), critical (which cannot be guaranteed otherwise but only by a control over the whole process) and other services in the event when it is difficult to determine the market or the private sector does not wish to provide a respective service. Unfortunately, it has to be said that the document concerning the development of public administration is too general in the part which regards the involvement of the third sector and does not offer concrete solutions. On the other hand, the Estonian non-profit organisations in most of the counties have not yet reached a level of development where they would be able to take over certain tasks of local governments or state. On the basis of this document, the strategy to increase the capacity of local government (development solutions) is to be worked out where the presentation of the different forms and possibilities for involvement of third sector should be included. The work on preparation of the strategy document has started, but before its final formulation it should be waited when the document concerning the development of public administration is approved at the highest state level.

The next document which should be noted is **the Regional Development Strategy of Estonia** which was approved by the Government of the Republic of Estonia on 2<sup>nd</sup> February 1999, the main principles of which include promotion of the capacity for local initiative and support of initiatives (focus on self-initiatives) and involvement of all interested parties in planning, financing and implementing the means (principle of partnership). So the document is aimed at strengthening of local self-initiative in all the counties and considers it necessary to provide such initiative with the appropriate resources. The strategy document presents five regional development programmes that will be taken over from the year 2000. One of the five programmes will be the **local self-initiative programme** to be formed from the ongoing and aforementioned programme for rural development. The target area of the self-initiative programmes includes development of self-initiatives of individuals, groups and non-profit organisations in the rural areas. The programme is mainly focused on promotion of the self-realisation possibilities for the youth in rural areas, rural tourism, home study and general social and cultural development in the villages.

### **III. How to involve the Estonian third sector in the employment of local government**

In a country with young democracy, like Estonia, the third sector is still in its early stages of development. We still have to learn how to use the potential our society can offer. As said before, at the state level a conclusion has been reached that the third sector is important and requires development in all respects. The local government is also reaching this conclusion, although it should be admitted that the willingness for co-operation by the local government depends on many different factors like time, financial possibilities, availability of knowledgeable people and good will, being very different in different areas. Hereinafter I would present some possibilities for involvement of the third sector in Estonia.

The NGO sector helps to prevent passiveness of the population, to make them to have their say in the development of local life. It can be made, for example, through the organisation of **training and hobby circles'** work provided by the NGO-s. If people have gathered into groups and find other persons who share the same views, find confirmation to their approaches, they also feel more powerful to stand for their rights and needs. People need affirmation that the development of local life depends on themselves in a large extent. Of course, it requires mutual readiness of the both sides, people as well as local government.

Most of the Estonian local governments have very tight budget and do not have enough resources for many important tasks. Some of the tasks or duties could be **contracted out** to NGO-s. There are several reasons, the main one is that the salary policy of non-profit organisations is more flexible than in the business or state sector and people often work on voluntary basis in the non-profit organisations. In some fields, like medical treatment of addicts, the not-profit organisations are more trusted among clients. It should be taken into account that by involvement of non-profit organisations, local governments may have to make some small expenses, but benefits from such co-operation may be multiple.

Quite a complicated multinational composition in North-East Estonia and several other regions of Estonia provides the NGO-s with an opportunity to participate actively as an **influencer of the integration processes**, organiser of the Estonian language teaching, organiser of round-tables and discussions and be in the role of national conciliator.

Non-profit organisations can engage more effectively than before in the process of preparation of **development plans, planning, strategies** and other base documents of municipalities, towns and counties. This requires again the willingness of both sides and their capacity to see the development of local government in a wider context. It is important to understand that by involving non-profit organisations and pressure groups in the process of devising strategies and plans, we delegate a part of responsibility to them and impose on them an obligation to make their best efforts in order to achieve the best results.

Through the non-profit organisations it is possible to improve the **movement of information** from local governments to the people and to receive feedback about the opinions of people during implementation of the local government policies. Before substantial decisions regarding the region are made in the council, a given case may be discussed with the representatives of different pressure groups and through this to avoid making unnecessary or unpopular decisions.

Non-profit organisations can through **home studies** disseminate information about the history of the region, famous people, important events, buildings and cultural heritage. By such activity they help to make the local area more attractive to potential investors.

NGO-s can through their **connections and co-operation networks** apply for financial support for development of the region, organisation of different cultural events and training of their members.

A great problem in Estonia is that talented young people leave to towns to learn and find jobs. After they have received a good education or a well-paid job, such people do not return to their home place and so they will be lost with their taxes and abilities for the local government which has supported their development so far. One mission of the NGO-s should be to provide **support to the talented young people in all respects** and create them opportunities for active participation in the social life of their home place, so making them more fastened to the region.

The role of the NGOs in organisation of **environmental protection** is also important. There are several powerful international environmental organisations in the world, also in some regions of Estonia some pressure groups of local people have started activities for protection of objects under conservation and landscapes not damaged by human activities.

Local governments should consider the possibility to use the help of non-profit organisations in **social sphere**, for example in opening and managing resort homes for old people, shelters for homeless people, rehabilitation centres and so-called soup-kitchens. In several places reformation of hospitals into non-profit organisations has been considered. The non-profit organisations can also help to solve the employment problems.

A very important aspect for involvement of the public and non-profit organisations in Estonia appears when **administrative-territorial changes** are discussed (it is sometimes called as the local government reform). Estonia has one-tier local government, currently Estonia has 253 local governments (municipalities and towns), approximately a half of them have less than 2000 inhabitants. This number is obviously too small to ensure the capacity of local government to manage effectively the daily tasks. In order to improve the situation, several local governments have started or are starting amalgamation negotiations. Any changes give rise to a discussion among the population, some people are in favour of the changes, the

others are opposed. The local people are above all afraid of the increasing distances between the centre and border areas and liquidation of several duplicating municipal governments and schools after the amalgamation. There is an instinctive opposition to any changes in almost all cases if the positive impacts of the changes are not known. Here is the contact point of the co-operation between the local government and non-profit organisations. By involving the non-profit organisations in the discussion and through them or besides them also the active local people, the local government can delegate them a share of responsibility. Although the Estonian laws do not explicitly require to carry out referendums, it is still a good democratic practice that local governments wishing to amalgamate carry out referendum in their territory. Involvement of non-profit organisations in the decision-making would help to avoid further misunderstandings, conflicts or negative decision in referendum. Previous experience has shown that only continuous explanation work among the population ensures a positive result in respect of amalgamation decision. If to take the right steps, the energy of interest groups can be used in organisation of respective public meetings and other events and in forming the attitude.

#### **IV. Some cases of local initiative and involvement of non-profit organisations in the management of local life**

One example regarding involvement of the public in the management of local life might be devising **strategic plan of Tallinn** in co-operation with the Canadian Urban Institute in the period from 1995 to 1998. In its content it is a development plan of Tallinn, although a respective document was separately adopted in 1997. The representatives of interest groups were selected on the basis of their professional knowledge. Seven work groups were set up: a) work group for strategy of economic development, b) work group for strategy of development of technical infrastructure, c) work group for strategy of development of social infrastructure, d) work group for strategy of environmental protection, e) work group for strategy of protection of cultural values, f) work group for strategy of urban management and administration, g) work group for strategy of development of foreign relations. Almost 300 people participated in the work of the said work groups from different areas of life. Such organisation of work was accompanied by certain weaknesses, mostly due to the matter that the process was very long and did not give quick result. Unfortunately the Tallinn City Council has not yet approved the said strategic plan, saying that too detailed approach of the plan is the reason why a decision cannot be made quicker.

One of the leaders in development of local life is the **Movement of Estonian Villages and Small Towns “Home Place”** that is, by its nature, an association of non-profit organisations and it functions as an independent popular movement seeking voluntary regional development and valuation of rural life and regional policy from 1993. The movement “Home Place” unites the non-profit organisations seeking stable development of all corners, rural areas, municipalities, villages and small towns. The movement arises from the awakening movement of rural life and in the process towards independence, and from the meetings of villages in the rural areas. The movement is mainly aimed at the preservation of Estonian rural life and villages, giving new life to them and promotion of their harmonic development, including supporting rural economy and national culture and amalgamation of different village movements. At present, rural development groups have been founded in 11 counties.

**Lake Peipsi Project** is a regional non-profit and non-governmental organisation that was founded in 1994 in Tartu. The Project helps to promote sustainable development in the

Estonian-Russian border zone in the catchment basin of Peipsi-Pihkva Lake, paying particular attention to the human aspect of sustainable development. The Lake Peipsi Project supports the projects of local governments to increase the capacity of communities, helping to found community centres, to develop local communication infrastructure and promote the activities of NGO-s at the grass-root level. The Project also seeks to strengthen co-operation among local governments, NGO-s and research and educational institutions. The Project is also a regional research centre that offers expert assessments and surveys for international organisations regarding environmental administration and local social, economic and cultural development in the border zone. In the future the Lake Peipsi Project should become a foundation which supports regional co-operation projects among local governments, NGO-s, research and educational institutions in the Estonian-Russian border zone.

Besides, there are several independent non-profit organisations the activity of which to a larger or smaller extent depends on the development and training of local government. In this connection **the Open Estonia Foundation** could be mentioned that has financed implementation of the several projects promoting regional development. **The Jaan Tõnisson Institute** as an independent non-profit organisation has carried out several training events for local government officials and politicians and has participated in the work of several round tables and research groups in this field. From 1997 to 1998 the Institute was actively participating, under the leadership of the author of this presentation, in the process of studying the necessity to launch the Estonian local government reform, involving the representatives of local governments and local government associations in this process.

## **V. Conclusion**

It can be said that the relationship between the public sector and non-profit sector is of casual nature, not yet clearly shaped, depending often on personal sympathies and connections – on the one hand on how active the people in the third sector are and their lobby making skills, and on the other hand the willingness and desire of the officials to develop co-operation with the third sector. More emphases than so far should be placed to make the role of non-profit organisations well recognised in the Estonian society. Maybe working out of the development concept for the third sector should be considered, but surely in the strategic documents being compiled the respective chapter can be more thoroughly and responsively written.

Although it is a slow process, the stones are rolling. In Estonia a conviction has been reached that the development and support of NGO-s by the state and local governments allow for one more dimension in respect of increasing the level of freedom of choices in the region. The both sides have made the first steps, now the good will of the both parties will be important in winning of confidence and working towards joint objectives.

## **VI. Literature used**

1. **Development Solutions to Increase the Administrative Capacity of the Estonian Local Government**, in the form of work material
2. **Lainurm K. A.** (editor), *Municipality and Town Want to Amalgamate*, volume II: Experience and Guidelines. Jaan Tõnisson Institute, Tallinn 1998

3. **Regional Development Strategy of Estonia**, approved by the Government of Estonia on the 2<sup>nd</sup> February 1999
4. **Regional Policy in Estonia**, Ministry of Internal Affairs, Estonian Regional Development Agency, Tallinn 1998
5. **Strategic plan of Tallinn**, final report, Canadian Urban Institute 1998
6. **The Principles for Development of Public Administration**, draft

In addition, the author has used several documents, reports and information gathered in the course of personal conversations for which he feels grateful to all persons concerned.