Do nonprofit leaders challenge political leaders?

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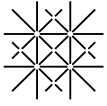Center for Philanthropy Studies (CEPS), University of Basel
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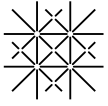lucka.zarubova@seznam.cz

Abstract

Successful place-based leadership is based on functional networks, dialogue among stakeholders, political support and funding, and sharing power. The EU-funded Integrated Urban Development Plans (IUDPs) require the participation of citizens and local nonprofit organizations. When creating an opportunity for informal leadership, it is not clear whether the informal leadership fills the position of formal political leadership.

On the data from the implementation of several IUDPs in the Czech Republic, we tested whether formal leadership becomes dispersed and informal place leadership fills the vacuum instead.

Our research did not find differences in the change of civic political engagement at the local level related to the success and failure of the IUDPs strategies. Local civic engagement and nonprofit leadership are challenging formal local political leadership. Nevertheless, their success is limited as there is also missing dialogue among the local movements and nonprofit leaders when finding solutions to particular local problems.

Keywords: Local development, Place leadership, Participation, Political competition, Local parties

Content

1   Introduction

The 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. 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 developing a place and influencing political decisions.
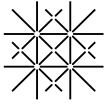
Current results of some elections show a tendency in some regions to revolt against incumbent political leadership (the presidential election in the U.S., Brexit in the UK, etc.). Rodríguez-Pose (2018) talks about regions that "do not matter" and their diversion to populist political movements that question 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). Does this mean that formal leadership is becoming more and more dispersed and informal place leadership is filling the vacuum?

This raises several questions on what happens in such places if development strategies do not reflect their local needs. According to Potluka and Perez (2019), bottom-up initiatives fill the gap between policy and actual local needs, if top-down approaches do not work. These initiatives can do that either in collaboration with formal political leaders or against them. In our research, we touch on this crucial issue and raise the question of how local political movements change place leadership1 and how they challenge local political leadership. Will nonprofit leadership strengthen or disperse the political leadership even further, or is there a greater need than ever for place leadership to work across the old and emerging divides? The ambition of our research is to answer such research questions. 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 study several cases in the Czech Republic, 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 between public administration and social partners and their empowerment is an official approach. We found the 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. Thus, our research adds to the knowledge of how EU member states cope differently with such supranational rules. We would like to improve our understanding of how political relationships influence the success of policies implemented. We have selected the Czech Republic for our study as it is a country belonging among countries with the highest allocations of EU cohesion policy per capita (Gorzelak et al., 2017) and has been active in the implementation of IUDPs.

The paper is organized as follows: After the introduction, the second section discusses the current development in place leadership, especially the issue of political power sharing. Moreover, it introduces the

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

integrated urban development plans and the integrated territorial investments as a tool of place-making within EU cohesion policy. The third section describes the data and methods applied. The subsequent section provides information on the political activity of local movements and their attempts and methods to get a share of political power in the Czech Republic. The final section concludes on the relationship between formal and informal place leadership.
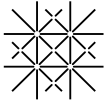
2   Literature review

The current approach to place leadership

Within regional development, the research does not provide us with a clear definition of the meaning of 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). According to some authors, 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).

Rodríguez-Pose (2013) highlights the importance of leadership for institutional arrangements, which constitute the link to local and regional development processes. Contemporary research points out a crisis in leadership (Rodríguez-Pose, 2018). Moreover, we lack clear conceptual, empirical, and theoretical anchorage on why and how leadership might be a crucial element in enhancing local and regional performance and why it succeeds or fails. The reason for this situation is that place leadership is a multi-agency and multi-level activity (Horlings et al., 2018). Thus, it looks different in various institutional and cultural contexts.

Current challenges like climate change, economic and demographic challenges, unrestrained urbanization, and over-exploitation of natural resources confront places with the need of innovative solutions (Kluvánková-Oravská et al., 2013). However, sustainable regional development is challenging to achieve in practice because of constraining rules and procedures, short-term perspectives, and conflicts of interests. 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). To overcome these, and many other potential bottlenecks, policy-makers need to take into account soft factors better than has been the case so far. 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. As mentioned above, 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, two places are never facing the same challenges, but 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.

All governing bodies need to ensure that policies are producing results and adding value. In the recent past, the demands for evidence on value for money and creating social value led to the creation of inputs, outputs, outcomes, and impact metrics as means of confirming that policies produce the desired effects (Andrews, 2019). This especially concerns the EU cohesion policy, which is the leading evaluation policy in Europe (Fratesi and Wishlade, 2017).

Improvement of the quality of life in a place also belongs among the defining characteristics of place leadership, but must also be accompanied by the sharing of decision-making power (Hambleton, 2014). Thus, social capital (Putnam, 1993) in the interaction of leaders with their followers and opponents also plays a role in implementing visions (Sotarauta, 2016). Among the defining characteristics of successful place leadership belong functional networks, dialogue among stakeholders, political support and funding, and sharing of power (Sotarauta, 2016, Potluka et al., 2017a, Horlings and Padt, 2013). The last two points are especially connected with political decision-making and public value creation.
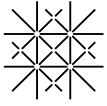
The above-mentioned variety of stakeholder interactions results in varying outcomes of place leadership. In this paper, politicians and public servants represent formal place leadership while activists and NPOs form informal place leadership. Formal, hierarchically organized structures characterize formal 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 types of leaders dispose of various power to share. Based on the above discussion, we want to test the hypothesis:

H_1: Does informal leadership successfully compete with formal political leadership at the local level?

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. The first group, the elected politicians, deal with formal political leadership defined by elections. Their position gives them legitimacy within their mandate to coerce others and dispose of information (which can give them informational superiority). Moreover, they dispose of public budgets to provide material rewards and finance implementation of their visions (Sotarauta, 2016). In the second group, 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, and variety in social networks (Sotarauta, 2016). These types of power are not solely limited to informal leadership as formal leaders can also build networks and engage other people.

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). However, these positive aspects of stakeholder participation in political decision-making do not concern political responsibility. Political decisions are solely in the responsibility of political bodies and elected politicians. Thus, some politicians reject to share 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). 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 can raise engaged local activism and civic leadership that will claim participation in political decision-making. If the formal leaders resist hearing these voices, the activists can transform their efforts into a political movement to stand for political seats officially. Either politicians have to accept the participation of civic leaders and consider their visions, or these leaders join established political parties or create local political parties to compete for political power.

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). Based on the above discussion, we want to test the hypothesis:
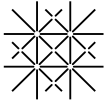
H2: Does implementation of IUDPs help increase the role of local leadership through local movements?

Role of the EU in supporting participation and place leadership

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. The mutual interdependence of European, national, regional and local identities and implementation of policies is evident as Chalmers and Dellmuth (2014) point out: „The degree to which citizens share a solidarity reflex and think that the EU has the right to rule can influence the EU's potential to make a difference. If citizens do not accept the EU's right to rule, the EU may experience problems gaining state support for ambitious Cohesion Policy goals and achieving effective compliance with EU goals ".

The Barca report (Barca, 2009) underlines the place-based approach to regional development to enable all EU citizens 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 other than the public sector, and the development strategy should be based on the community-led local development approach (CLLD). This means that many NPO representatives take part in it. Other cases concern urban areas, as the European Commission introduced Integrated Urban Development Plans/Strategies (IUDPs) and the Integrated Territorial Investment (ITIs) programs 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 development potential. When designing a development strategy, local stakeholders had to also participate, including nonprofit organizations and individuals representing local communities. Integrated Territorial Investments (ITIs) introduced in the period 2014-2020, also emphasized participation as one of

its main principles but mainly vertical partnerships between various levels of the public sector instead. **982 ITIs were implemented by member states during this** period (EC, 2020).

In the Czech Republic, IUDPs were prepared and implemented by cities with a population of over 20´000. The IUDPs were based on the cities strategic and development documents and were an integrated solution to the problems in the selected city zone. In all phases of preparation, processing, and implementation of IUDP, the cities had to respect the principle of partnership and public involvement.

The local political system in the Czech Republic

In the Czech Republic, local elections occur every four years . The legal framework 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 and .

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 municipal assembly elects the mayor of a municipality, who must, in turn, be an elected member of the assembly. 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 is 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, 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 other national authorities. In all available IUDPs strategic documents from the Czech Republic, 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, and (v) share of investment from IUDPs invested in a private property. We use a five-point scale to evaluate the fulfillment of the three criteria (value 5 – the highest fulfillment of the criteria, 1 – the lowest). We collected data from 39 of 58 IUDPs (in 35 of 46 cities) implemented in the Czech Republic. 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 like, (i) population size, (ii) size of the electorate for three consecutive local elections in 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 nonprofit 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.
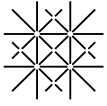
The third source are interviews with stakeholders who directly contributed to the design of strategies and then to their implementation. We interviewed both public servants and activists and people working in nonprofit organizations during April and May 2019. We contacted the respective departments in all cities implementing IUDPs to conduct the interview. 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 have not interviewed officials without a 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.

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

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

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 sustainability of such participation and information on actual implementation processes. We used the interviews to qualitatively explain the results obtained from testing quantitative data.

The three local election periods in our sample help us to cover the period prior to the design, during the implementation, and after the implementation of the IUDPs. The local elections in 2006 represent a period prior to 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.

In three models (see table 2 for results), we use the variable of the change of political engagement to test hypothesis 1 and the change of seats won by local parties and the change of votes obtained by local parties to test hypothesis 2. The variables of NPOs as partners and inhabitants as partners were used to test the influence of the quality of partnership. To include size and importance of the investment for the local population, we have also included the total investment and the share of the investment with the private component.

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

4 Results and discussion

Political development in Czech cities

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 voters per candidate (or *vice versa*) 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 to achieve their aims in local politics.

There is generally little interest in people to be engaged in public affairs in the Czech Republic. 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 (see figure 1). 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 the Parliamentary election decreased gradually from 64.47% in the year 2006 to 59.48% in the year 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.
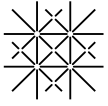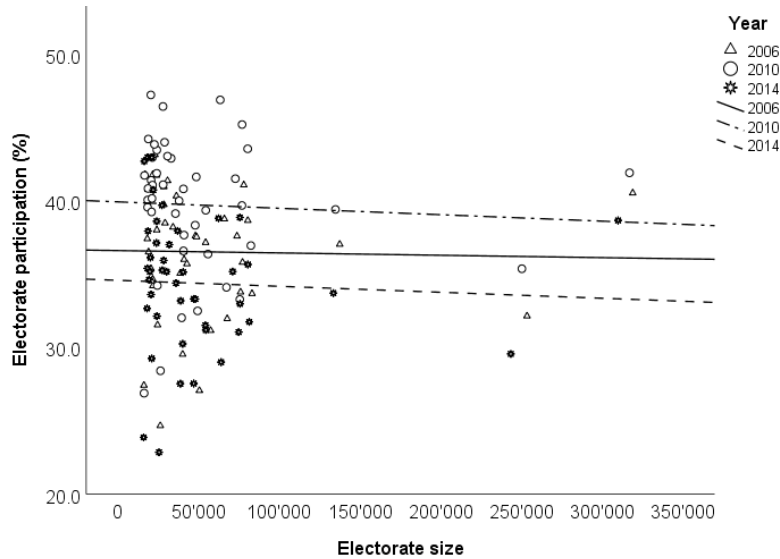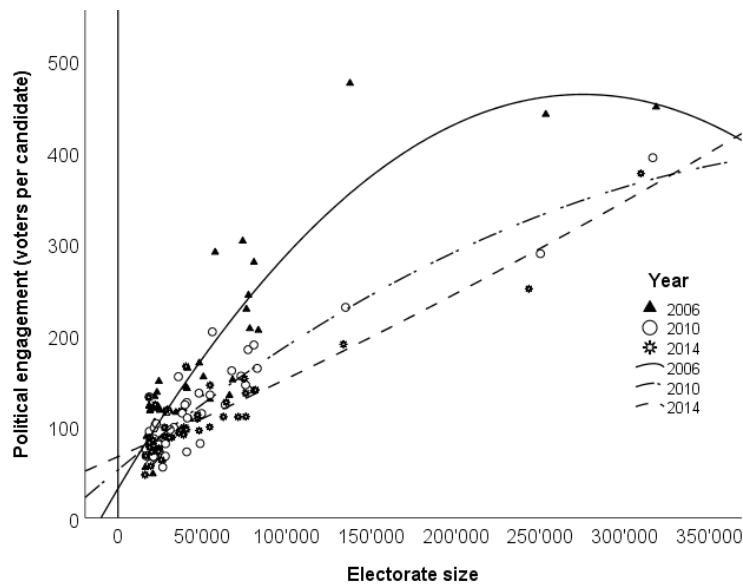
Figure 1: Electorate participation in local elections

Source: Own elaboration based on CZSO (2020)

Figure 2: Active civic engagement in local elections

Source: Own elaboration based on CZSO (2020)

The intensity of political engagement (measured as the size of the electorate divided by the number of candidates in a municipality) decreases with the size of a municipality (see figure 2). This is a logical issue relating to higher anonymity in larger cities. Figure 2 also shows another development - political engagement
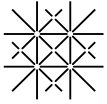
was the lowest in 2006 and intensified to the highest level in 2014. It significantly increased between the years 2006 and 2010 (increase +40.76, p-value 0.024) while between the years 2010 and 2014, the increase was +11.33. However, this latest increase is not statistically significant (p-value 0.381).

In our data, we see an increase in political engagement. This 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.

The increase in political involvement of people at the local level also means an increase in competition between candidate parties. This is evident from figure 3, which shows the average number of candidates per seat in an assembly. More and more people have taken an active part in establishing local political movements and political parties, or they have stood for a seat on the lists of national political parties. The increase between the years 2006 and 2010 is +2.078 of candidates per available seat (p-value 0.000) and a similar increase of +1.025 candidates per seat (p-value 0.030) is found between the years 2010 and 2014.

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 4). 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 only 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.

Figure 3: Candidates per seat in various years
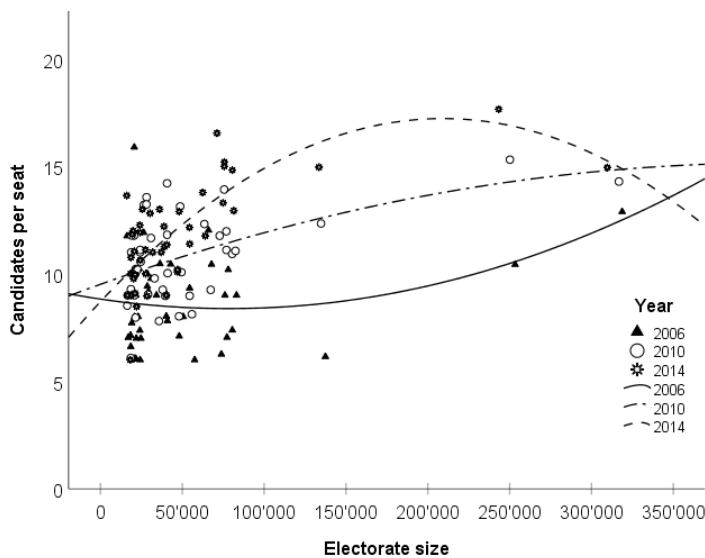
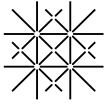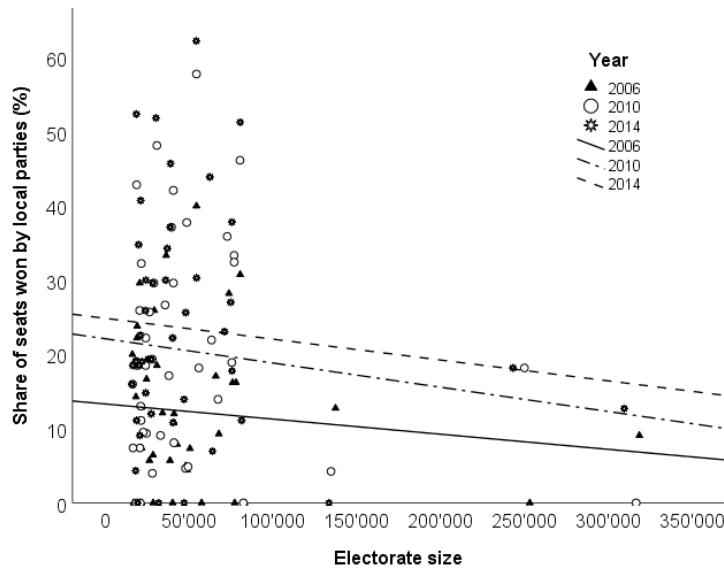*Source: Own elaboration based on CZSO (2020)*

Figure 4: Electoral success of local parties and movements - seats won.
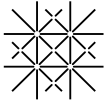

Source: Own elaboration based on CZSO (2020)

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 are. According to our interviews, the means for how to collaborate were dependent on the personal approaches of the leaders. The public sector officials were oriented towards fulfilling the requirement 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. 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 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.

The results also exhibit that the implementation of IUDPs did not affect the political behavior of any of the local political stakeholders. Neither quality of the partnership between the public sector and NPOs nor with 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.

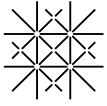**Table 2: OLS estimations of the role of IUDPs in shaping local politics**

	Change in political engagement (H_1)		Change of seats won by local parties (H_{2A})		Change of votes obtained by local parties (H_{2B})	
	Coefficients	p-value	Coefficients	p-value	Coefficients	p-value
Constant	-0.629	0.736	5.315	0.143	5.693	0.503
Electorate size 2006	-1.856E-6	0.859	-2.586E-5	0.200	-9.932E-5	0.043
NPOs as partners	0.211	0.551	1.194	0.086	2.059	0.208
Inhabitants as partners	0.061	0.899	-1.169	0.211	-1.992	0.368
Change of participation in elections (2014 – 2006)	-0.083	0.636	-0.060	0.856	-0.526	0.510
Total investment (mil. EUR)	0.002	0.003	-1.455E-5	0.990	0.002	0.391
Share of investment with private effect %	0.037	0.168	-0.026	0.615	0.007	0.954
Change in political engagement (2014 – 2006)			0.111	0.760	0.500	0.565
R-sqr.	0.338		0.171		0.204	

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

According to the results, we can reject both tested hypotheses. The first conclusion states that informal leadership does not compete successfully with formal political leadership at the local level. According to the results, we cannot confirm that implementation of IUDPs help increase the role of local leadership through local movements.

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 later in the implementation of IUDPs, the implementation of IUDPs do not have a statistically significant effect on the change in the 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.
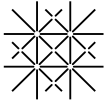
First, based on interviews, public officials understood IUDPs as being a source of funding for investment projects. Partnership and participation were taken primarily as a requirement imposed by the donor – the EU. This approach is reflected in the lower intensity of population involvement as well as lower participation in the IUDPs´ design and implementation. 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 be 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 the 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. In essence, this confirms the results of a study on the EU cohesion policy and the building of European identity which found that there was a very limited feeling of the added value of EU funding to completed investments (Capello, 2018). For most of the population, the strategic EU priorities are too far away, and thus the local population has the capacity only to support things that directly concern the place they live.

Third, a higher level of citizen trust and social capital correlates with more substantial social and political involvement. In the country of our sample, the Czech Republic, , 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, the Czech Republic 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 responsibility 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 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.

For actual collaboration, the stakeholders need to (i) know how to collaborate, (ii) be willing to collaborate, and (iii) be able to collaborate. For a successful collaboration, all three requirements must be present. If anyone is missing, the stakeholders do not collaborate. In the case of IUDPs in the Czech Republic, we have found in interviews that people and NPOs know how to collaborate in IUDPs. We have 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 all of them prefer their own aims firstly without compromise.

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. Especially, 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

Successful place-based leadership is based on functional networks, dialogue among stakeholders, political support and funding, and sharing power. The EU-funded Integrated Urban Development Plans require the participation of citizens and local nonprofit organizations in the implementation of these plans, thus also indirectly fulfilling these factors as well. On the data from the implementation of several IUDPs in the Czech Republic, we found that formal leadership does not become dispersed, and informal place leadership is not capable of filling the vacuum.

Our results confirm that local parties and informal leaders increase political competition. These groups were 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. On the other hand, they often suffered from a lack of communication among themselves and competed with each other. Thus, their gain in seats pushed them to start political coalition negotiations, similarly as do the classical political parties. This ultimately allowed the incumbents to manage the IUDPs as usual programs without any strong decision-making role of the local stakeholders. Our results show that neither formal nor informal political leadership is strong enough. Moreover, 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.

Although the EU supports participation and partnership among stakeholders in regional development, we did not find any statistical effect of the implementation of IUDPs on political participation and, subsequently, to political competition at the local level.

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 their informal part of leadership?

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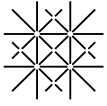
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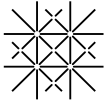
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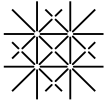
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