



Urban Governance for Local Communities as a Mechanism for Local Development: A Case Study of the Municipality of M'Sila

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Abstract : This research paper aims to shed light on the importance and role of actual decentralization and real financial independence as mechanisms to enhance governance and their implications on local development, particularly seeking concrete methods and means to reinforce these mechanisms.

The research problem goes beyond recognizing the importance of urban governance in achieving local development, extending to the understanding of effective methods and approaches that allow its enhancement and activation for local communities in their pursuit of development.

To achieve the research objective, the methodology relied on the descriptive-analytical approach by studying the model of the municipality of M'sila and assessing its administrative and financial independence, as well as its relationship with the noticeable development lag. Additionally, the research explored ways to enhance this independence.

In conclusion, the results obtained, which can be generalized, indicate that the state, despite expanding the powers and diversifying the financial resources of local communities as stipulated by legal texts, has encountered misuse of authority and mismanagement of public funds. It has failed to achieve the desired development due to various reasons, including a lack of competencies, insufficient familiarity with management issues, and low financial capabilities of some municipalities. Therefore, these points were proposed as recommendations that need to be addressed to genuinely activate and enhance urban governance.

Keywords : Urban Governance, Local Development, Local Communities, M'sila Municipality, Administrative and Financial Independence.

La gouvernance urbaine pour les communautés locales en tant que mécanisme de développement local : une étude de cas de la municipalité de M'Sila

Résumé : Ce document de recherche vise à mettre en lumière l'importance et le rôle de la décentralisation réelle et de l'indépendance financière réelle en tant que mécanismes d'amélioration de la gouvernance et leurs implications sur le développement local, en recherchant notamment des méthodes et des moyens concrets pour renforcer ces mécanismes.

Le problème de la recherche va au-delà de la reconnaissance de l'importance de la gouvernance urbaine dans la réalisation du développement local, et s'étend à la compréhension de méthodes et d'approches efficaces qui permettent de l'améliorer et de l'activer pour les communautés locales dans leur quête de développement.

Pour atteindre l'objectif de la recherche, la méthodologie s'est appuyée sur l'approche descriptive-analytique en étudiant le modèle de la municipalité de M'sila et en évaluant son indépendance administrative et financière, ainsi que sa relation avec le retard de développement notable. En outre, la recherche a exploré les moyens de renforcer cette indépendance.

En conclusion, les résultats obtenus, qui peuvent être généralisés, indiquent que l'Etat, malgré l'élargissement des compétences et la diversification des ressources financières des collectivités locales prévues par les textes légaux, s'est heurté à des abus de pouvoir et à une mauvaise gestion des fonds publics. Il n'a pas réussi à atteindre le développement souhaité pour diverses raisons, notamment le manque de compétences, la méconnaissance des questions de gestion et les faibles capacités financières de certaines municipalités. C'est pourquoi ces points ont été proposés comme des recommandations à prendre en compte pour activer et améliorer véritablement la gouvernance urbaine.

Mots-clés : Gouvernance urbaine, Développement local, Communautés locales, Municipalité de M'Sila, Indépendance administrative et financière.

Introduction

Local authorities are considered institutions for economic, social, and political development according to legal texts (Mohamed Al-Hanafi, 2003). Algeria has adopted a decentralized management system in its development strategy by granting local authorities various administrative powers and increasing their financial resources to ensure their independence. However, the management methods of these institutions themselves raise questions about the most effective way to use power and available financial resources to achieve their stated goals. Like other municipalities in the country, the municipality of M'Sila faces challenges in local development, especially in terms of administrative and managerial aspects. Despite the rotation of many municipal councils, the diversity of administrative and technical procedures for preparing development programs at various levels, as well as the allocation of significant funds and resources in recent years to achieve these comprehensive development plans, the absence of effective development management and poor performance has led to the failure to meet the needs and aspirations of citizens.

Research Problem: The research problem lies in the fact that despite the expansion of administrative powers and an increase in financial resources for local authorities, particularly municipal councils, they have not been able to fulfill their developmental role in their communities. This raises questions about

finding effective ways and methods to make optimal use of these available mechanisms. Therefore, the research is based on two fundamental hypotheses:

- "Weak administrative staff in local authorities and a lack of familiarity with various managerial aspects hinder local development." In other words, the lack of competencies in elected municipal councils, their occasional obstinacy, their failure to consider the opinions of experts, and their independent decision-making hinder the development process.
- "Low financial capacity, absence of financial governance, and the inability to attract investments by local authorities lead to a slow development process." Weak financial resources, limited and sometimes difficult revenue collection, financial mismanagement, and a lack of investment encouragement are the main causes of local development stagnation.

0.1. *Research Objectives*

The study aims to achieve the following objectives:

- Highlight the financial and administrative independence of municipalities through legal texts and clarify their role as mechanisms for achieving development.
- Identify methods that enhance the administrative and financial independence of municipalities and ensure the activation of their developmental role.

0.2. *Research Methodology*

To study the topic of mechanisms for activating urban governance of local authorities and their role in achieving local development, the study relies on the descriptive-analytical methodology as the appropriate approach for such research. The research can be divided into two aspects :

Theoretical Aspect : It is based on gathering information related to the study's topic.

Field Aspect: It relies on collecting and analyzing data, including statistics, with the help of various possible references, such as books, theses, reports, legal texts, and more.

Theoretical and Conceptual Framework: (This section would typically elaborate on the theoretical and conceptual framework relevant to the research topic.)

Urban governance serves as a roadmap through which the daily administration and effective control of a city are organized. In reality, it is a decision-making process involving multiple stakeholders and varying priorities to ensure development and the provision of services (Fahd Abdulrahman, 2017). Among these stakeholders, we find local authorities, as defined by the Algerian

legislator in Article 15 of the 1996 constitution, as "the regional entities of the state, namely municipalities and wilayas."

Local authorities are defined as a set of executive and technical bodies at the local level responsible for managing local affairs and services (RatibaZerkaoui, 2015, p. 42). They can be elected or appointed, and they carry out their functions through delegation or transfer of authority. This distribution of administrative functions within the state between its central agencies in the capital and independent local bodies is a method of achieving administrative decentralization (Othman Azizi, 2008, p. 25).

Municipalities represent a model of urban governance and empowerment as they form the basis of decentralization and a place for citizens' participation. They play a central role in regional development and local empowerment, aiming to bring about change in the economic and social structure of the local community through a range of public policies and government programs. Local authorities have an active role in designing, planning, and supervising the implementation of local development policies, based on a grassroots approach to achieve comprehensive development in all areas (Ahmed Rashid, 1986).

According to Municipal Law No. 10/11, municipalities are defined as "the basic regional community of the state, with legal personality and independent financial responsibility, established by law." This can be interpreted as follows:

Regional community: Having jurisdiction within a specific geographic area.

Basic: The smallest administrative unit.

Legal personality: Having a legal existence independent of both the wilaya and the state.

Independent financial responsibility: Having its own financial resources to fulfill its responsibilities.

Established by law: Cannot be dissolved except by law.

1. The role of administrative and financial independence of local authorities in local development

The concept of administrative independence (decentralization) involves the transfer of administrative responsibilities from the central government to independent local bodies. This is done under the supervision and oversight of the central government. Administrative independence offers several advantages, including:

Relieving the burden on the central administration due to the multitude of its functions. Avoiding delays and accelerating the issuance of decisions related to local interests. Better understanding and addressing the desires and needs of

citizens at the local level. Achieving the principle of administrative democracy through direct citizen participation in managing their local affairs.

Administrative independence expands the authority of local governments at the expense of the central government and allows for the transfer of administrative activity from officials to citizens, thereby realizing the principle of administrative democracy at the local level.

Financial independence of local authorities (self-financing) refers to the provision of financial resources to local governments to enable them to carry out their delegated functions and meet the needs of their citizens within their jurisdiction. Local authorities have the right to own private funds (Tawfiq Ghafsi, Khalifa Azzou, 2013, p. 115). Algerian Municipal Law states that "the People's Council, on behalf of the municipality and under the council's supervision, is responsible for all matters related to the preservation of the assets and rights that constitute the wealth of the municipality."

In addition, financial independence of local communities allows them to manage their assets freely within the limits imposed by the state's economic policy, in order not to have an impact on the course of economic activity. However, the independence granted to local communities currently does not have this characteristic in terms of budgetary constraints and central government oversight (Khedr Mergad, 2005, p. 03).

Aspects of administrative and financial independence of municipalities: The administrative and financial independence of local communities in Algeria is manifested through various features, including:

The municipal system in the Algerian administrative system is a unique and absolute form of decentralization, where all members of councils and all members of management and administrative committees are chosen through direct general elections (Ammar Awabdi, 1990, p. 166).

Municipalities, as decentralized bodies under the state and a means of democratic expression at the local level, are guaranteed their independence through their establishment and the method of their administration (elections).

Preparation of various development plans (PCD).

Preparation of the guiding plan for planning and development, land use plans, and their approval. Continuous oversight of urban fabric and supervision of project implementation in various sectors.

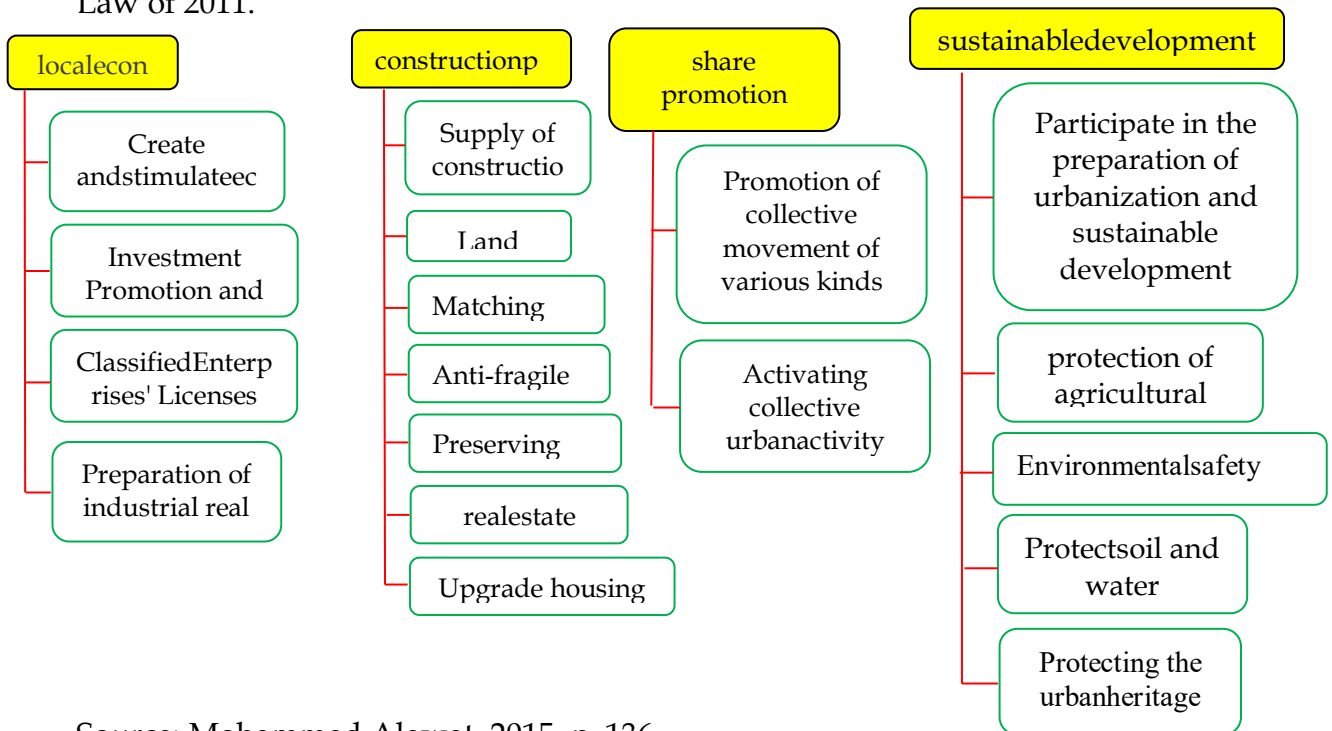
Municipalities in the Algerian administrative system rely on their own resources to meet the needs of their residents, and they receive financial support through grants from the state and the joint fund for local communities (Shweih Ben Othman, 2011, p. 18).

Municipalities are established, and industrial institutions and cooperatives for industrial development are created. There are also cooperatives and coordinating and marketing institutions for agricultural production, as well as initiatives to encourage investments.

Municipalities prepare development plans for the short, medium, and long term and oversee their implementation. They also encourage various investments in their regions based on their resources. Preparation and proposal of the budget and monitoring of its implementation. Granting legal personality to municipalities gives them the authority to assume duties and acquire rights, especially financial rights, when dealing with specific financial matters. This is considered an additional indirect financial resource for their budgets. The freedom to improve and increase their financial resources by establishing enterprises, institutions, and activities that allow them to do so.

The possibility of accepting gifts and donations, entering into economic agreements, and twinning agreements aimed at developing and enhancing the urban and economic fields (Mohammed Allouat, 2015, p. 136) summarizes the powers granted to municipalities according to the 2011 Municipalities Law, enabling them to effectively control the urban development process.

Form Number (01): Municipal Powers Granted According to the Municipalities Law of 2011.

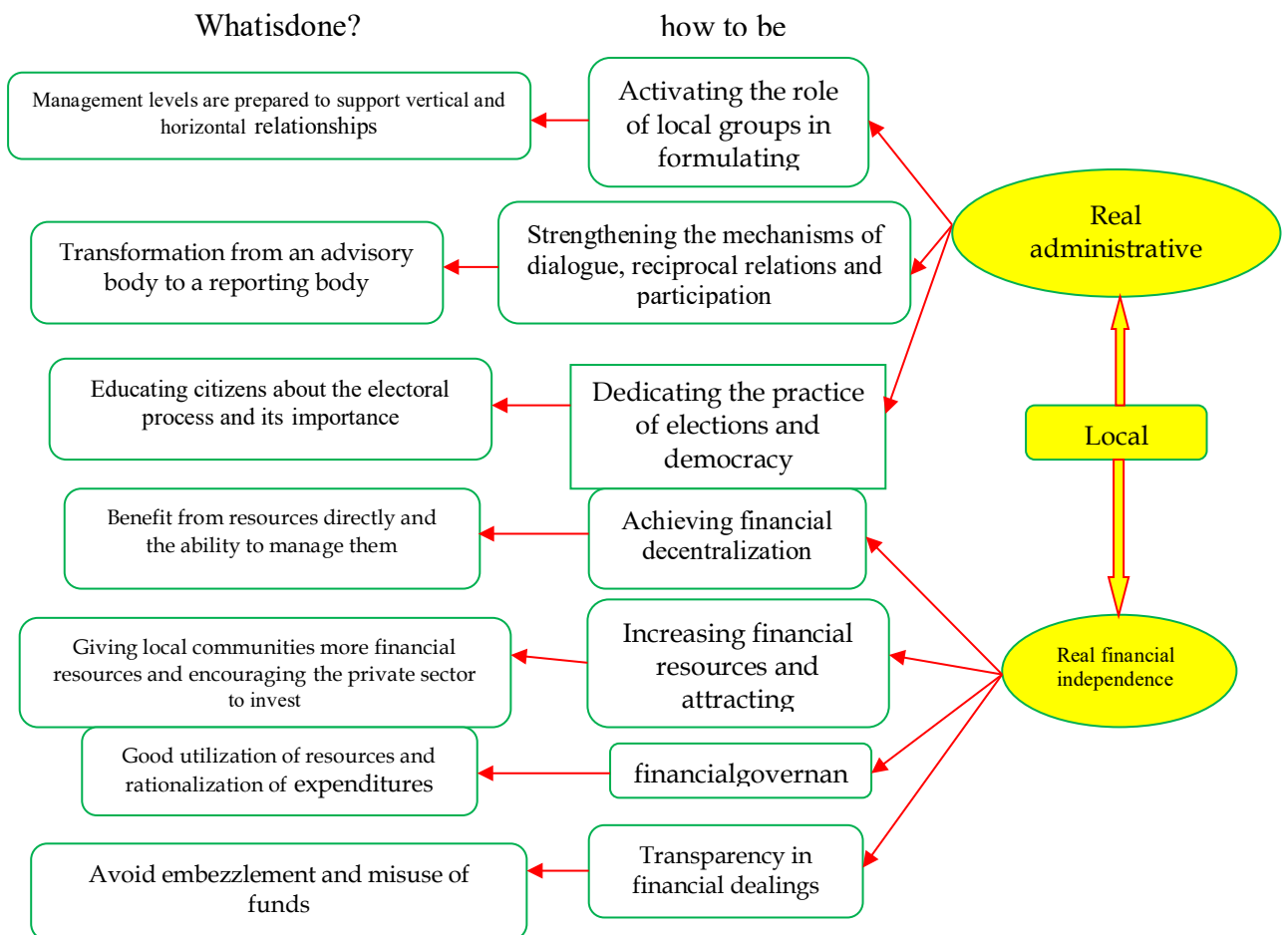


Source: Mohammed Alawat, 2015, p. 136.

2. Ways to Activate the Financial and Administrative Independence of Local Communities

Administrative and financial independence as mechanisms to activate the role of local communities in achieving local development also require enhancement and support in order to be effectively and truly independent, without affecting their mandated tasks. This true independence is achieved through the support and reinforcement of a set of authorities, which, in turn, are realized by placing them within an appropriate legal framework and providing them with the necessary means. We have chosen to summarize the concepts we have discussed in our study in this section, which discusses the activation of administrative and financial independence of local communities to achieve development, through a plan that makes it easier for us to understand the authorities and indicators that signify it as follows:

Form Number (02): Illustrates How to Activate the Administrative and Financial Independence of Local Communities.



Source: Prepared by the Researchers.

The Municipality of M'sila as a Model for Measuring the Independence of Local Communities in Algeria

Introduction to the M'sila Province :

The M'sila Province emerged from the administrative division of 1947, which increased the number of provinces in Algeria from 15 to 31. Prior to this date, the M'sila region was part of the Setif Province. M'sila is located in the heart of northern Algeria, serving as a connecting link between the eastern and western regions of the country, as well as between the northern and southern parts of the nation. It belongs to the region of the High Plateaus and covers an area of 18,175 square kilometers. The population of M'sila is approximately 669,200 people, with a population density exceeding 66 people per square kilometer.

The M'sila Province comprises 47 municipalities distributed across 15 districts. The province is represented by 12 deputies in the parliament, representing various political spectrums, while the Provincial People's Council has 47 seats.

It is bordered by the following provinces:

To the north: BordjBouArréridj Province, Setif Province, and Bouira Province.

To the south: Biskra Province and Djelfa Province.

To the east: Batna Province.

To the west: Médéa Province.

Introduction to the Municipality of M'sila :

The Municipality of M'sila is the capital of the M'sila Province. The mixed municipality of M'sila was founded on May 20, 1868, with an administrative administrator, his deputy, and members of the municipal committee serving as intermediaries between the administration and the local residents. It was initially part of the Setif District within the Constantine Province.

The municipality of M'sila covers an area of 233.2 square kilometers, and its population is estimated at 175,560 inhabitants. The Municipal People's Council of M'sila consists of 33 members.

Located at the northernmost border of the M'sila Province, the municipality is surrounded by the following:

To the north: The municipality of El Euch (BirjBouArreridj Province).

To the south: The municipality of Ouled Maadi.

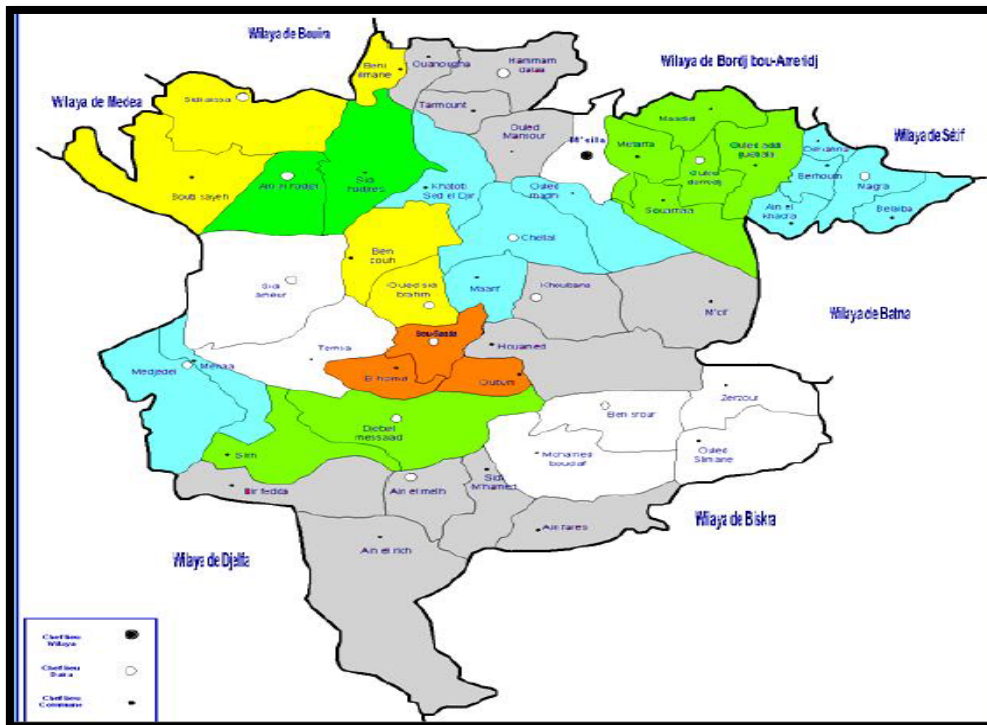
To the east: The municipalities of El Matmarfa and El Souamaa.

To the west: The municipality of Ouled Mansour.

The aim of presenting this information is to emphasize the existence of administrative independence by granting power to local communities, allowing them to participate in political life and representation in various administrative bodies. This reflects the existence of decentralization at the municipal and provincial levels through the Provincial People's Council and the advantages and powers it enjoys in governance.

Furthermore, local elections hold significant importance in establishing democracy and administrative decentralization by selecting local representatives. However, the electoral process alone is insufficient in choosing competent individuals, especially given the lack of awareness among certain segments of the population. Some citizens, randomly interviewed within the Municipality of M'sila, stated that they were unaware of the educational backgrounds of current and former members of the Municipal People's Councils and did not inquire about their managerial qualifications. Instead, they often chose their representatives based on favoritism and other incorrect factors, highlighting the need for improved civic education and awareness.

Form Number (02): A map showing the administrative location of the province and municipality of Msila



Source: Official website of Mascara Province [<http://www.wilaya-msila.dz/>]

The development status in the province and municipality of msila :

Studying and monitoring the status of programs and plans is a search for evidence of the independence of local authorities in administrative and financial management. This is evident through the freedom granted to them in proposing and implementing these programs and plans, including the Municipal Development Plan (PCD). The Municipal Development Plan is a comprehensive plan for development within the municipality and is a tangible embodiment of decentralization at the local level. Its mission is to provide the essential needs of citizens and support the economic base. The content of the plan typically includes agricultural facilities, infrastructure, achievement facilities, and commercial facilities.

Article 31 of Law 10/03 stipulates that it is the responsibility of the municipality to prepare its plans, oversee their implementation, and register the Municipal Development Plan in the name of the Wali (Governor). The President of the Municipal People's Council is responsible for overseeing its implementation. It is a requirement for this plan to be in line with the sectoral development plan as well as the national development plan.

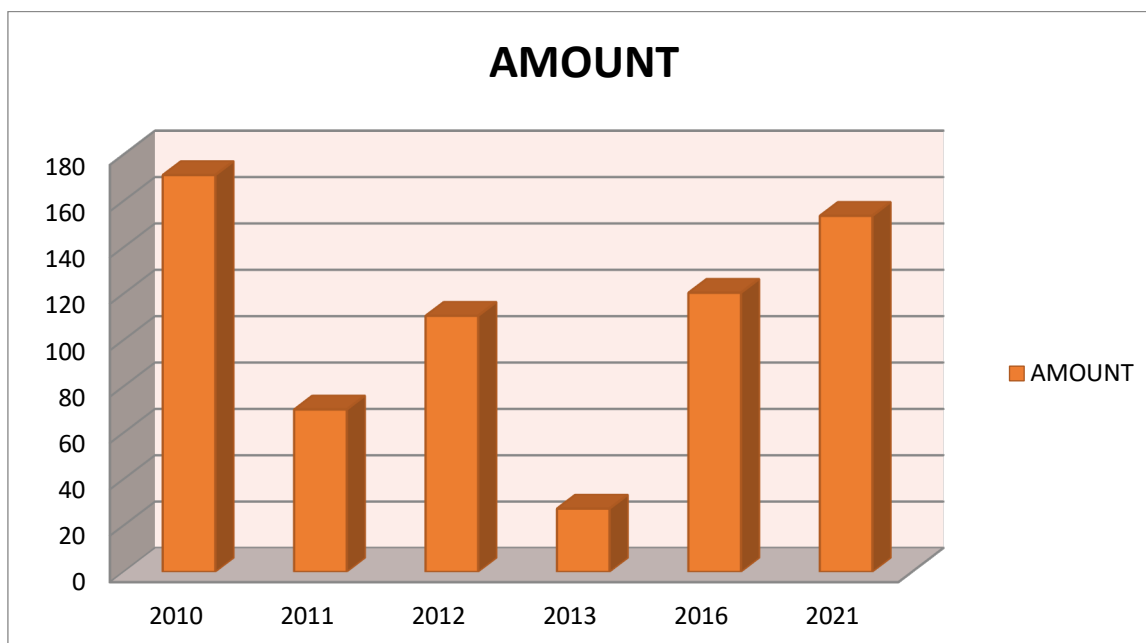
Table Number 01: Allocated Funds for Development under PCD Framework

	2010	2011	2012	2013	2016	2021
the amount DA ¹	171.19 million	70.05 million	110.46 million	27.28 million	120.40 million	153.60 million

Researcher Preparation

Form Number (03): Allocated Funds for Development under PCD Framework

¹Algerian national currency



Researcher Preparation

Table Number (02): Examples of Registered Projects for the Period (2010-2014)

Process name	year of registration	financial cover (DA)
Urbanization (paving roads with asphalt concrete from the covered market to the city center)	2010	5.7 million
Completion of the sewage network for the neighborhood of 275 dwellings	2011	22.4 million
Completion of the potable water network (neighborhood 151 developmental residence, Seville)	2012	4.20 million
Rehabilitation of the green space of the old Seville façade	2013	5.09 million
Rehabilitation of the municipal branch in Ghazal neighborhood	2014	0.40 million

Source: Municipality of Msila

Through tables (01) and (02), we notice that the municipality's tasks have been limited to completing sewage networks, providing residents with drinking water, and urban improvement operations. This serves as evidence of its

restricted role and authority, with a clear avoidance of taking on important projects for other distant entities, far removed from addressing local realities.

Additionally, we observe variations in the financial allocation and diversity in recorded operations during this period. In 2010, the municipality had the highest financial allocation, which then decreased in 2011, experienced an increase in 2012, only to decrease significantly again in 2013.

The value of projects registered within the municipal development plan in El M'Sila municipality, according to the statistics we have obtained, accounts for 20% of the total allocated budget for the entire province. This is expected since El M'Sila is the provincial capital and hosts 17% of the province's population.

Significant delays in project completion have been recorded, indicating administrative management shortcomings rather than financial constraints, given the availability of funds. At times, this led to underutilization of the budget and granted loans, as if the municipality had become complacent with projects. This underscores weak management and a lack of expertise in proposing new projects, especially considering that statistics show most proposed projects are reiterations of previous ones.

The key takeaway from presenting these values is that local authorities have the freedom to propose the number of possible projects, especially with financial support available from the central government through various avenues such as repayment loans and development programs. However, most of these projects involve repeated refurbishments and assessments of previous projects, resulting in the misallocation of granted resources and the squandering of public funds.

Investment in El M'Sila Municipality: It is undoubtedly true that development is measured by the size of investments. Financial independence, in turn, is measured by the municipality's ability to attract private sector investment since it contributes to increasing the municipality's financial resources, thereby enhancing its financial independence.

Table No. 03: Distribution of Industrial Units and Small and Medium-sized Enterprises (SMEs) by the end of the year 2020

Enterprise type	The number in the municipality of M'sila
major industrial units	07
medium foundation	13
small enterprise	78
A very young establishment	1848

Source: Directorate of Industry and Mines, 2010.

The number of large industrial units owned by the private sector in the municipality of M'sila was estimated at 7 industrial units by the end of the year 2010, employing more than 1204 workers. Meanwhile, the number of small and medium-sized private enterprises in the province of M'sila was estimated at 1939 by the end of 2010. These enterprises are engaged in various sectors, including services, commerce, and industry.

From the above-mentioned table, it becomes evident that the contributions of the private sector are modest despite the increase in their numbers. This is particularly concerning in light of the open market economy, which relies on the private sector to take the initiative in development. We have characterized these contributions as weak, given the presence of an industrial zone covering an area of 200 hectares that has not been fully utilized. This is not due to a lack of interest from investors but rather due to administrative procedures that do not provide a suitable administrative environment for investment.

It is crucial to create a conducive administrative climate for investment and open opportunities for community members to create initiatives that can change the local economic situation. This can be achieved by providing encouraging incentives to the private sector to support development in the municipality. Additionally, many of these enterprises do not have a tangible impact in the field; their owners have benefited from privilege contracts and land without engaging in any economic activity. This brings us back to the role of the municipality in supervision and the necessity of addressing such activities that hinder development.

Results and Recommendations:

Based on the research titled "Mechanisms for Activating Urban Governance in Local Authorities and Their Role in Achieving Local Development," the following results were obtained in light of the proposed hypotheses:

Under the first hypothesis, by relying on the study of data related to municipal councils in the Municipality of M'sila, the following conclusions were drawn:

Democratic practices alone are not sufficient to create administrative competencies that enhance independence in governance.

The lack of awareness among citizens about the importance of the electoral process, coupled with the selection based on favoritism and connections rather than competence and integrity, leads to placing inappropriate individuals in key positions.

The absence of dialogue between members of municipal councils on one hand, and officials and experts on the other, has resulted in chaos in governance.

Under the second hypothesis, results were obtained from analyzing development programs and measuring the volume of investment in the Municipality of M'sila:

There is an abundance of funds provided in general, but this is met with a deficit in proposing and managing projects.

The quality of proposed projects often does not extend beyond refurbishing and renovating recently completed projects, resulting in a waste of public funds.

Private sector investment projects in the Municipality of M'sila have remained on paper and have not matched the resources provided by the state.

The absence of oversight and accountability, along with administrative issues, hinder attracting investments and consequently impede local development.

The research, through theoretical information analysis and field data, concludes that administrative and financial autonomy of local authorities cannot be achieved without mechanisms that enable and grant them authority. Among these mechanisms are sound and rational management, managerial competencies, decision-making freedom, dialogue, oversight, and participation, decentralization, and financial governance, as well as attracting investments.

Based on the obtained results, the following recommendations are proposed, which are not limited to the scope of the study but can be applied more broadly:

Local authorities, especially municipalities, should prioritize rational and financially responsible management and governance.

Enhance the reporting role of local authorities and grant them the freedom to make and implement decisions at the local level within the framework of the law.

Raise awareness among citizens about the importance of the electoral process and the significance of choosing based on merit, fostering a sense of responsibility among them.

Create a conducive environment for attracting investments to generate additional income for local authorities and enhance their financial independence.

Implement participatory management and activate mechanisms for dialogue, central and popular oversight, thereby increasing administrative and financial independence.

These recommendations aim to improve urban governance in local authorities and promote local development.

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