ERNOP Research Note

Academic articles on philanthropy through a practitioner lens

Informal Place Leadership: A Challenge to Formal Political Leadership?

Oto Potluka - University of Basel, Center for Philanthropy | Lenka Svecova - University of Chemistry and Technology Prague, School of Business | Lucie Zarubova - University of West Bohemia, Faculty of Economics

In response to a growing trend of dissatisfaction with political representation (e.g., Brexit, the 2016 U.S. presidential election), there has been an increased focus on place-based approaches to political decision-making. In this article, the authors further investigate this dynamic in the context of the EU Cohesion Policy, analyzing the relationship between formal and informal leadership and politics to illuminate whether informal place leadership is filling the void created by growing dissatisfaction with formal political leadership.

Drawing on desk research, data on social and political life across Czechia, and stakeholder interviews, the authors studied the implementation processes of 58 EU-funded Integrated Urban Development Plans (IUDPs) to explore the influence of informal place leadership on leadership and politics in the context of urban development and EU cohesion policy. While the authors found that the implementation processes had limited impact on formal political leadership, increased political competition among informal leaders and local parties signals its growing prominence.

#PlaceLeadership #UrbanDevelopment #Participation #PoliticalCompetition #LocalParties

Background & Context

- **Formal political leadership is currently in crisis.** While it is viewed as central to good governance, the provision of public services, regional development, and managing resources, formal leadership often falls short because it overlooks the importance of collective processes for sustainable regional development.

- **Place leadership recognizes the unique connections between individuals and networks in their place** – whether it be neighbourhoods, regions, or states – and how these connections lead to changes in place development.

- Place leadership can be **formal – exerted by elected officials and public servants** through hierarchically organized structures – or **informal – exerted by local activists and nonprofit organizations (NPOs)**, typically through more informal or non-hierarchical structures.

- Recognizing the importance of place leadership, **the EU Cohesion Policy integrates partnership, participation, and empowerment into its approach**, which finances strategies that involve local stakeholders in designing and implementing programs and policies, such as IUDPs.

- In addition to receiving one of the highest allocations of EU cohesion policy funding per capita, Czechia participates actively in IUDP implementation. These factors make the country an ideal setting to explore the relationship between formal political leadership and informal place leadership in the context of urban development.

Universität Basel | UNIVERSITY OF CHEMISTRY AND TECHNOLOGY PRAGUE | UNIVERSITY OF WEST BOHEMIA | Carleton UNIVERSITY | ERNOP.EU
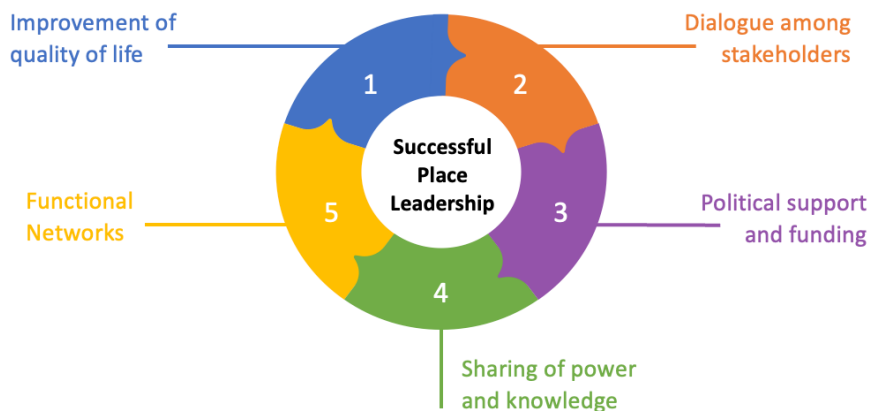European Research Network on Philanthropy

ERNOP Research Note

Academic articles on philanthropy through a practitioner lens

Take aways & Learnings

- The study revealed that while IUDPs enabled direct participation of engaged citizens and nonprofit organization representatives in Czechia, **the participation processes had a limited impact on the political behaviour of local leaders, their willingness to compete for seats in local assemblies, or their electoral success.** The authors identified three reasons for this limited impact:
  - **Public officials' view of IUDPs as a source of funding** for investment projects, leading to lower intensity of population involvement and participation;
  - **Lack of effective communication** between formal political leaders, informal leaders and other stakeholders, resulting in a formalised political behaviour of stakeholders;
  - **Low levels of social trust and social capital** in Czechia, which hinder political involvement and collaboration among local leaders and activists.

- **The study found that there has been a gradual rise in independent candidates engaging at the local level.** The authors also found that the intensity of political engagement of local leaders increases with the size of a municipality, a trend attributed to dissatisfaction with the functionality of local governments.

- The findings suggest that **while the influence of established national political leaders is declining, formal leadership has maintained its legitimacy**. That said, **increased political competition among local parties and informal leaders signals that informal leadership is making significant progress**, as evidenced by an increase in local election votes and winning a greater number of seats in local assemblies.

- **This research highlights the need for place leadership to bridge longstanding and emerging divides through dialogue and finding common solutions**. It also underscores the importance of functional networks and stakeholder dialogue for successful place-based leadership.

Characteristics of Successful Place Leadership

Improvement of quality of life — 1

Dialogue among stakeholders — 2

Political support and funding — 3

Sharing of power and knowledge — 4

Functional Networks — 5

Successful Place Leadership

Universität Basel

UNIVERSITY OF CHEMISTRY AND TECHNOLOGY PRAGUE

UNIVERSITY OF WEST BOHEMIA

Carleton UNIVERSITY

ERNOP.EU
European Research Network on Philanthropy