## AMERICAN UNIVERSITY OF ARMENIA

# THE BIG SOCIETY OF THE UNITED KINGDOM

NEW GOVERNANCE OPTIONS FOR ARMENIA

Ву

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# SIGNATURE PAGE

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## THE BIG SOCIETY OF THE UNITED KINGDOM

#### NEW GOVERNANCE OPTIONS FOR ARMENIA

## **Chapter 1: Introduction**

#### **Background and Statement of the Problem**

The 'Big Society' of the United Kingdom was a policy idea launched in the Conservative Party 2010 manifesto. According to commentaries written in *The Times* and other papers in England and elsewhere, this was an "impressive attempt to reframe the role of government and unleash entrepreneurial spirit" (<a href="http://cornerstone-group.org.U.K./page/11/?m">http://cornerstone-group.org.U.K./page/11/?m</a>, accessed 11/15/2012). A distinct component of the 'Big Society' agenda was embedded in the Localism Bill: Local government and community empowerment that aimed at implementing the policy of decentralization of power to local authorities and local communities.

The Localism Bill was a radical shift of power from the centralized state to local communities, and a change from Big Government to Big Society. This new bill would replace the Local Government Act of 2000 enabling local authorities to decide their own governance arrangements (by holding referendums on issues of local community interest). The U.K. government argued that this new power would encourage innovation particularly at a time of severe budget cuts. Further, the Localism Bill bestowed upon local

<sup>&</sup>lt;sup>1</sup> HM Government (2010). Decentralization and the Localism Bill: an essential guide, London: Department of Communities and Local Government, p.1.

communities and councils the right to challenge, allowing them to object to the way in which their local government managed public services and hold referendums in response to petitions from at least 5 percent of the electorate (www.communities.gov.U.K./publications, accessed on 11/14/2012).

The Localism Bill is multi-faceted and addresses a range of quite diverse and specific issues related to local public policy. The proposed decentralization is an agenda that is expected to have impact across government. Of particular interest to the current research are the following components of the Bill:

- 1. Empowering communities to do things their way
- 2. Freeing local government from central control
- 3. Diversifying the supply of public services
- 4. Giving local people more power to determine public spending priorities
- 5. Strengthening accountability to the people

The Localism Act 2011 arguably represents a double edged sword for equality. On the plus side, the Act (and the wider localism agenda as pursued by U.K. governments) offers a welcome shift towards decision making rooted in local communities and more responsive to their needs and wants. In theory, this should deliver public services that better reflect the needs of those groups and communities. On the negative side, decentralized decision making and delivery, if unrestricted, has the potential to profoundly disadvantage different groups and communities by reinforcing existing inequalities of access and influence (McCarvill, 2012).

Although the concept of decentralization has roots in not only conservative but also neoliberal thinking, David Cameron noted that the basic assumption of his 'Big Society' policy shift is to restructure power away from 'officialdom' (Scott, 2011; Clements & Earnshaw, 2012). The aim of this radical shift of power is to emanate and encourage volunteerism and active citizen involvement in local governance to help build stronger and more stable forms of community groups and leadership.

Looking at the proposed model philosophically, one notes that the main concepts behind 'Big Society' embrace the ideas of philosophers like Edmund Burke and Friedrich von Hayek (Smith, 2011). Political analysts have argued that 'Big Society' is a major step towards creating 'good society' that provides communities with the rights to do what they always wanted: to take on more responsibility, but also have more power to control. Supporters of 'Big Society' claim that this is the best "opportunity ... for communities to assert themselves, to demonstrate ownership and pride and take responsibility for creating a happy, healthy, and inclusive community" (Scott, 2011). Critics, on the other hand, argue that the underlying concepts of 'Big Society' are too abstract and have the risk of not being understood and/or applied correctly. There are concerns that the agenda is simply an excuse for making budget cuts — cuts that would undermine what 'Big Society' is set out to achieve (Wyler, 2011).

The past fifty years have witnessed the rise of centralized state systems throughout the developing as well as developed world. Generally speaking, decentralization refers to the global trend in recent decades to devolve the responsibilities of centralized government to local governments. The fundamental promise of decentralization lies in enhancing efficiency through inter-governmental competition and fiscal discipline and promoting democratic values through enhanced local voice in the provision of public services.

Decentralization is widely lauded as a key component of good governance and development (Kaiser 2006). The implicit justification for decentralization is that it functions closer to the people it is meant to serve, the people get more out of government and, in turn, they are more willing to accept the government's authority. Most scholars agree that a decentralized system of government is more likely to result in enhanced efficiency and accountability than a centralized counterpart.

#### **Theoretical Framework**

As mentioned earlier, the main concepts behind 'Big Society' embrace the ideas of philosophers like Edmund Burke and Friedrich von Hayek. More precisely, these are the Burkean concepts of 'traditional conservatism' that also includes developing so called *small platoons* of voluntary associations, on which 'Big Society' would be largely dependent; and Hayek's ideas of intersubjectivity is explained as the formation of social actors that advance with the help of mutual discovery, which is impossible to plan in advance or

anticipate (Smith, 2011). It should also be noted, however, that the concept of 'Big Society' has itself become a theory, based on which this research explores the possibility of adopting an action plan for Yerevan Municipality.

#### Purpose and Importance of the Study

The 'Big Society' was introduced in the U.K. less than three years ago. This time shortage primarily explains the lack of peer reviewed scholarly articles on this issue and the doubtful reaction to it from the public. By and large, the ideas expressed in the U.K. Coalition Government platform are anything but new and, if successful, could be introduced in other countries as well. The process of decentralization has already been undertaken in Armenia, to some extent.

This research is an effort to discuss how applicable 'Big Society' is to Armenia and what aspects of it would work in the current Armenian environment and development stage. This study is significant for it analyzes a process currently being tested in the U.K. — a model of local governance yet to be adopted — drawing upon different, often mutually exclusive theoretical and practical roots in other countries. How would such a model apply to a developing country, such as Armenia?

This study might be beneficial for students and scholars who study decentralization, public engagement, good governance or community volunteerism from different viewpoints and for those who wish to analyze the applicability of these concepts to different environments. By understanding how and to what extent such models improve governance and increase local

accountability, one would be able to devise and apply a model in other countries.

Moreover, this research might provide a good example for Yerevan Municipality officials, primarily with respect running local public services. This might also serve as a future reference for researchers on the subject of public policy and comparative studies. And importantly, this research is so far unique in its nature as it compares public opinion based on primary data gathered from the United Kingdom and Armenia. The survey results might be used in other studies, as well.

#### Research Questions and Hypotheses

#### Research Questions

- **a.** What is the level of public enthusiasm and implementation support for 'Big Society' in the U.K.?
- **b.** What are the key elements of decentralization in the U.K. and how different are they from other decentralization efforts?
- **c.** Is it possible for British society to self-organize without control and oversight by the central authorities?
- **d.** What percentage of the London Borough of Sutton's population is supportive of the Localism Bill?
- **e.** What elements of the Localism Bill could be adopted in Armenia?
- **f.** Has the Armenian government taken any action that would make a similar policy possible?

## Hypotheses

H<sub>1</sub>: The majority of the residents of Sutton, U.K. are well informed of the provisions of the Localism Bill.

H<sub>0</sub>: The majority of the residents of Sutton, U.K. are not well informed of the provisions of the Localism Bill.

H<sub>2</sub>: The majority of the residents of Sutton, U.K. are participating in the implementation of the Localism Bill

H<sub>0</sub>: The majority of the residents of Sutton, U.K. are not participating in the implementation of the Localism Bill.

H<sub>3</sub>: The U.K. has accomplished considerable decentralization of power in Sutton since the implementation of the Localism Bill.

H<sub>0</sub>: The U.K. has not accomplished considerable decentralization of power in Sutton since the implementation of the Localism Bill.

H<sub>4</sub>: There are a few elements in the Localism Bill that could serve as model for adoption in Armenia.

H<sub>0</sub>: There aren't any elements in the Localism Bill that could serve as model for adoption in Armenia.

## Scope of the Study

The study was conducted only in Sutton, U.K. and in the administrative district of Arabkir within the Yerevan municipality. Sutton is one of the three 'vanguard areas' where the 'Big Society' is being piloted, the other two being

Eden District, Cumbria and Royal Borough of Windsor and Maidenhead.

Arabkir was selected as the administrative district of study for Yerevan primarily because local citizens are assumed to be more progressive, openminded and supportive of new policy endeavors than other district citizens.

## **Chapter 2: Literature Review**

## The Concept of Decentralization

The large body of scholarly literature on decentralization provides conflicting analyses on effective public administration (Faguet & Sanchez, 2008; Kim et al., 2005). Politicians who advocate for decentralization are often skeptical of giving up or sharing power with their subordinate or with the people. It is obvious that decentralization presents a new type or level of relationship and responsibility between state and local authorities. The various instruments of decentralization can affect the incentives of service providers positively or adversely, improving or worsening the provision of public services (Ahmad J. et al, 2005).

The concept of decentralization and its interpretations have become a battleground for a variety of disciplines and theories. However, scholars of public administration and political analysts often discuss the theoretical shortcomings of decentralization with very little incorporation of the effect of that theory or model. Dubin argues that developing a theory must have a human experience. He posits "the need for theories lies in the human behavior of wanting to impose order on unordered experiences, which is not ordered by nature hence the experiences may be ... theorized about, in very different ways (Dubin, 1969)."

While economists focus on issues of efficiency and equity within the concept of decentralization, public administration scholars are also interested

in the distribution of power, responsiveness, transparency, and accountability (Klingner, Donald E., and John Nalbandian, 1998). Different scholars and public administrators have attempted to explain the advantages and opportunities of government decentralization, using different lenses and looking at decentralization from different vantage points within government. The different viewpoints expressed bring out the disparities between the theoretical rationale for decentralization and what gains are actually realized. Much of the scholarly literature on the subject focuses on understanding what has failed, at best, and on hypothesizing potential new approaches to implementation. In practice, analysis of failures is only possible when one tries to decompose decentralization.

Decentralization demands courage and huge enthusiasm among those who proclaim it as their long-term objective, because of the strong temptation to look back or even hesitate to go forward. Indeed, in most such governments "many high-level politicians and bureaucrats resent their loss of powers and resources" (Crook & Manor, 2000). Some of them eventually consent when they realize that decentralization increases régime legitimacy. Others do not. Thus, not everyone in the upper levels of a government moving forward with decentralization feels a sense of ownership. Some even try to regain their powers and resources in different ways — and they sometimes succeed. That is one of the reasons why in some cases decentralization eventually succeeds while in others governments end up in ruins.

In the literature of different types of decentralization, the most common theoretical definitions of decentralization usually include different processes, from 'deconcentration' to 'delegation' and 'devolution'. In the case of 'deconcentration' central government passes down certain responsibilities to regional and local branch offices without transfer of authority (Dennis A. Rondinelli et al., 1989). This type of decentralization is also known as 'administrative decentralization'. The next level of decentralization is 'delegation' or 'fiscal decentralization' when central government transfers responsibility for decision making and administration of public functions to local governments, which implies less control by the central government (Boex, Jameson and Simatupang, Renata R., 2008).

According to the theory of federalism<sup>2</sup> 'fiscal decentralization' increases government effectiveness, reduces government budgets, and also reduces corruption when used as a tool of government reform (Kwon, 2012). In the case of 'devolution' or 'democratic decentralization' however central government not only transfers decision making, but also local governments are quasiautonomous in administering their finances and in managing different functions. In some extreme cases decentralization can be launched without having any existing central government institutions, as it was in Kosovo. However, the practice shows that strengthening local government authorities without strong central power tends not to ease the problems (such as conflict

<sup>&</sup>lt;sup>2</sup> Fiscal federalism is a subfield of public economics concerned with understanding which functions and instruments are best centralized and which are best placed in the sphere of decentralized levels of government

among geographically concentrated minorities) but to exacerbate them (Gjoni, Roland et al, 2010).

Essentially, decentralization is about the quality and intensity of relationships among different tiers of government. Nevertheless, this is not the prerogative of high-level officials. Centrally controlled decentralization, also called decentralization from above, has negligible influence if the suggestions made by various public institutions, e.g., non-governmental organizations or associations of local government organizations are not taken into consideration (Petak, 2011). Decentralization should not merely have administrative value, but it should also include a civic dimension so as to increase the opportunities for citizens to take interest in public affairs (Vo, 2010).

Especially in the case of 'devolution' that primarily introduces a whole bunch of development programs, the public should acquire a sense of ownership of and assume responsibility for those programs. "As local residents come to identify themselves with such programs, they become capable of maintaining, repairing, and renewing them more diligently. Such enhanced maintenance makes development more sustainable and the results foreseeable" (Crook & Manor, 2000).

## **Decentralization Policies in Developed Countries**

A good example of how decentralization works in practice could be gained by observing the U.K. Coalition Government's main policies concerning education and assessing whether current prospects for a radical school do apply for state funding as a Free School.<sup>3</sup> Like many researchers who have looked into this topic, M.A. Hope (2012) examined the advantages of the newly established Free Schools that are run not only by teachers, but also by the students themselves. Examining one case in Sand School in Ashburton, Devon, Hope concluded that U.K.'s Coalition Government has given rather diverse messages in terms of its commitment to decentralization. Hope argues that those messages could be easily challenged by starting a radical Free School that would have only students at the helm (Hope, 2012).

Decentralization in most cases enables civil society organizations to exercise their newborn influence using the more ordered, focused processes that prevail in elected bodies. Although democratization at lower levels often creates conflict as candidates compete for elective office, it moderates this conflict by way of democratic processes, such as elections and council proceedings. The participation of opposition parties in this process is encouraged and provides an effective system of checks and balances. Although decentralization does not make civil society organizations more responsible, it creates opportunities for them to exercise influence in elected bodies that are accountable to the electorate. Thus,

"what a government does and how it does it depends on the people who manage and control the ... government. How the three branches

<sup>3</sup> A free school is a taxpayer-funded school in England, academically non-selective and free to attend, but not controlled by a local authority. Free schools were introduced by the Conservative-Liberal Democrat coalition following the 2010 general election making it possible for parents, teachers, charities and businesses to set up their own schools. Free schools are subject to the School Admissions Code of Practice, other than that they are allowed to give priority to founders' children.

interact — and how people in civil society organizations and the media react to the policies and activities of the government—determines the effectiveness of a country's governance" (Peter, 1995).

To discuss all aspects of decentralization one should pay attention to how it can be achieved by countries that are at different stages of development. For instance, close attention should be paid to decentralization in developing states. Several authors (Bird and Vaillancourt, 1998) who have discussed this issue came to the conclusion that it is essentially hard to make predictions about the outcome of the decentralization process, because it can become both a panacea and a plague. The researchers make a comparative analysis of decentralization in ten different countries. They compare conditions in those countries and discuss why some have managed to succeed in this aspect, while others have not. They come to the conclusion that an important supplement in a top-down decentralization process is dependent on the extent of a country's state policy and program evaluation capacity. These two processes, as they state, are not alternates but complements.

Other authors have found that in some of the poorest countries characterized by weak institutions and political conflicts, decentralization could actually make matters worse. The poverty impact of decentralization would appear to depend less on the physical country setting, for example a country's size or quality of infrastructure, than on the capacity and willingness of policy makers to ensure a pro-poor devolution process. Two important policy

lessons have been identified by the OECD Development Center (Working Paper No. 236):

"First, in an environment where the central state is not fulfilling its basic functions, decentralization could be counterproductive ... Secondly, in countries that are fulfilling their functions, decentralization could be a powerful tool for poverty reduction, improving representation of the poor and better targeting of service delivery."

As it was already noted above, one of the main types of decentralization is fiscal decentralization. This phenomenon will be thoroughly analyzed throughout the current research. One of the most interesting studies in this field was conducted by Juan Gonzalez Alegre, whose main source was panel data from the seventeen Spanish regions during 1984–2003 (Alegre, 2010). The author shows that fiscal decentralization is a crucial determinant of the share of the public budget devoted to capital expenditure at the regional level. The main argument of the author is that the estimation run is based on a model in which the usefulness of the illustrative agent from the current public spending depends on the distance to the level of the administration that provides it. To put it in simpler words, decentralized provinces dedicate a smaller portion of their budget to capital, in contrast to public current expenditure. The author concludes that this could be the cause why decentralized economies face a higher share of current spending in the budget of public administrations (Ibid).

A. Patterson argues that one of the greatest contributions of decentralization to society is that it has affected political participation of the most deprived social groups, as are women in Senegal (Patterson, 2002). He

also notices that despite having one of the lowest literacy rates for women, Senegalese rural women have managed to create organizations known as *mbootaay* in Wolof, as well as state-recognized women's groups, the purpose of which is to provide credit and mutual aid to members. Similar set-ups in the form of women *shirkats* (or associations) have also existed in many countries of the Middle East, particularly in the Armenian communities of Lebanon and Syria (Balian, 1985)

Researchers that have examined the effects of decentralization in developing countries argue that political or democratic decentralization is expected to offer citizens the possibility of increased participation in local decision-making processes, from which they have generally been excluded through lack of sufficient representation or organization. Improved representation of formerly excluded people in local municipalities could, in turn, give the poor better access to local public services and social security schemes, reducing vulnerability and insecurity. In ethnically divided countries, decentralization could also offer a way to share power among local ethnic groups, thereby establishing grounds and processes for political consensus and stability. A stabilized political system offers a foundation for the poor to build up their life and to begin participating. More generally, it can also contribute to a reduction in their vulnerability to shocks (National Coalition for Independent Action, 2012; Balian, 1985).

#### **Decentralization in Developing Countries**

The situation in developing countries like Armenia is usually much more complicated than the cases discussed. In various countries worldwide decentralization attempts have brought negative consequences. Probably the most well-known case is that of Indonesia, when the government initiated one of the most ambitious decentralization schemes in modern history. Although it significantly improved the country's level of democracy, the local-government proliferation<sup>4</sup> reform resulted in a large number of new local governments, each of which had its own jurisdiction, and created fragmentation in the country's regional development (Firman, 2009).

Further, in many places where decentralization is initiated the decentralization programs are often accompanied with attractive slogans which tend to project a superficial image of complacency. However, there is a gap between rhetoric and the actual situation, which is obvious in Kerala, a small village in India. Such a gap characterizes the decentralization efforts in India and should be estimated in any assessment of decentralization in developing countries (John, M.S. and Chathukulam, Jos, 2003).

Because of such problems, when considering the theory of decentralization in developing countries, one should move beyond the traditional tradeoff of how "centralization is better for dealing with spillovers

<sup>&</sup>lt;sup>4</sup> Local-government proliferation is a practice, whereby a local government can be divided into two or more new local governments to improve public service in the region and create more effective local government, and to bring local political leaders closer to their constituents.

and decentralization is better for dealing with heterogeneity" (Bardhan, 2002, p. 196), by exploring political economy issues of institutional processes and responsibilities at both the local and central levels.

First, there might be disparities between regions or localities. In such cases democratic decentralization may play a creative role. Many decentralized regimes have provisions for providing subordinate areas with better-than-average resources. They also give elected officials of such areas more equitable representation in the political system, which helps them seek a more equitable delivery of resources. But one should also keep in mind that principles of fair distribution and equity are the prerogative of democratic states, while in many hybrid regimes with strong authoritarian tendencies the situation is different and much more complicated.

In many developing states, mostly African, there is a problem with capacity to implement decentralization policies. Under 'capacity' one should understand "the ability to access and use knowledge and skills to perform a task, to act in pursuit of an objective" (Matovu, 2008, p. 1). According to a 2005 survey on the level of capacity conducted by the Economic Commission for Africa (ECA), there has been substantial progress in various African states, such as Niger, Ethiopia and Mali, but the vast majority of the states experiences huge problems when dealing with this issue (Ibid).

Also, the structures of local accountability are nonexistent in many developing countries, and local governments are often at the mercy of local

power elites who may hinder achieving public delivery of social services, infrastructure amenities and conditions favorable to local business development, like it was in Brazil. Decentralization in Brazil invested old political actors, especially state governors, provided them with new and powerful roles. These roles however were exposed to old political practices.

In countries like Brazil the level of continuity between old and new regimes is high (Souza, 1996). This means that decentralization, to be truly effective, has to supplement serious attempts to change the existing structures of power within groups and to improve the opportunities for involvement and voice, as well as engaging those that have been deprived from or marginalized in the political process (Jutting, Johannes et al., 2005). This by no means implies that decentralization in developing countries is a matter of utopia, but rather a phenomenon achieved through joint participation of many social groups and by the authorities' willingness to contribute to it.

Such an approach was taken in the majority of Central and Eastern European Countries, with differing results, however. For these countries decentralization was promoted not only to overcome the practices of communist era, but also to alleviate regional ethnic conflicts by bringing decision-making powers closer to the citizens and to respond to public needs as fully as possible (Menon, 2006). The case of the Former Yugoslav Republic of Macedonia (FYROM) presents substantial information of interest to the current research, because its overall level of democratization and development

can be compared to that of Armenia. Hoping for an accession to European Union and making an effort to comply with its standards, Macedonia took radical measure to improve its health care system and curtail corruption. In that regard, Menon heavily criticizes the Macedonian government's strategy, arguing that although

"Decentralization is commonly championed as a means for achieving equity... a hastily implemented program in Macedonia, in which underlying institutional weaknesses prevail, will actually erode health status and further compromise health care provision especially for certain under-developed areas and vulnerable groups (Ibid, p.19)."

This demonstrates that a policy of decentralization in developing countries should not be radical and a government implementing it should not utilize far-fetched strategies, rather opting for a milder approach that would be more beneficial.

Another study from Hungary, another CEE country draws attention to a problem typical not only for Hungary, but also for the vast majority of Post-Soviet countries, including Armenia. That is the problem of overpopulation of capital cities. Budapest, the capital of Hungary, with more than twenty percent of the overall population is seen as too large. Largely due to this overpopulation, as Sillince argues, the Hungarian industry has only mediocre productivity (Sillince, 1987). Decentralization, according to him, would successfully deal with this problem, by creating new workplaces in various regions of Hungary, thus shifting the country's industry from center to the peripheries. As it was already noted above, this problem is common to

Armenia, with more than one third of the population being located in the capital.

Overall, as Meyer and Hammerschmid demonstrate, the vast majority of European states, remain centralized, with several countries like Greece and Luxembourg being highly centralized. Only three of the 28 OECD countries were reported to be decentralized (Netherlands and the U.K.), while only one country (Sweden) is highly decentralized. At the same time the second parameter, namely the degree of collective decision- making showed better results with more than half of the OECD countries being high degree of collective decision-making (Meyer, Renate E. and Hammerschmid, Gerhard, 2010).

The analyses show that there is need to differentiate between the rhetoric and practice of decentralization. While the majority of countries have made steps towards decentralization, the current picture of administrative practice throughout the developing world, including Africa, Latin America, Asia and even Europe — especially Continental, Eastern and Southern European countries — is still by and large centralized, while involvement of line management (not to mention their the autonomy) is rather limited. The preliminary results on this issue suggest that the vast majority of more or less successful exemplars of decentralization come from the developed world, namely from the United States and from the United Kingdom, while the interpretation of these data throughout the world should be more cautious.

## **Chapter 3: Research Methodology**

## Research Design/Methodology

The research methodology of this study is mixed (quantitative and qualitative) and uses explanatory design. The mixed approach was used in order to facilitate use of different instruments to analyze the effectiveness of implementation of the Localism Bill. The study also measured the level of involvement by and satisfaction of citizens with this new form of government. Explanatory design was selected because it helps to explain the effectiveness of implementation of the Localism Bill and to suggest the degree to which certain components of the Bill could be useful for Armenia. Another reason why explanatory research design was chosen is because this research involves answering cause-and-effect relationships between different phenomena.

For the quantitative part, two structured survey questionnaires were used. The quantitative method was selected because it yields results that are easy to summarize, compare, and generalize. This quality of quantitative research methods is crucial for any study that experiences time constraints, such as the current one. It is important to note that the current study largely depends on an analysis of social opinion, the collection of which is best done through the use of surveys. Another important reason for working with survey questionnaires is that they are most removed from ambiguity and instrumentation issues, compared to other data collection instruments, such as different types of interviews.

The qualitative part of the research included content analysis of documents and notes from semi-structured interviews on various government officials' position on the current state of the local government in Yerevan. The qualitative analysis also measured the extent to which it is necessary to pursue reforms in this area.

#### **Data Collection Instruments**

Three data collection instruments were used, including surveys, expert interviews, documents and secondary sources. The first survey was conducted online among the citizens of the London Borough of Sutton, U.K., from April 3<sup>rd</sup> to April 14<sup>th</sup>, 2013, using Google Docs. The survey questionnaire link was placed on some of major Sutton organizations' Facebook pages, by prior agreement with these organizations. For the Armenia component, the citizens of Arabkir administrative district were surveyed from April 13<sup>th</sup> to April 15<sup>th</sup>, 2013 to investigate the district residents' position on specific provisions derived from the Localism Bill that could be implemented in their local government.

Additionally, to avoid duplication, a 2011 survey conducted by the London Borough of Sutton Council using a sample of 1,014 local residents was used in the analysis for triangulation of the findings and for gaining additional information on the level of public satisfaction at different stages of implementation of the Localism Bill.

In addition, five semi-structured expert interviews were conducted from April 13th till April 17th, 2013 to gain insight into the position of various

Armenian officials' position on the need for local government reform and the current state of public administration in Yerevan.

#### **Testing of Survey Instruments**

The surveys were tested on March 13th and April 11th with a group of students of American University of Armenia (AUA). Twenty five (25) students from various departments and two AUA graduates participated in the testing. The questionnaires was modified and improved based on their clarification questions, differences in understanding among the test takers, and variance of responses received.

## Sampling and Participants

As mentioned earlier, the first survey was conducted online using a survey engine that returned 406 completed surveys from a sample of 154,000 residents of the London Borough of Sutton. Taking the survey was voluntary inviting respondents fifteen years of age or older.

The second survey was administered in the Arabkir administrative district and delivered 209 respondents. The sample was selected randomly realized by way of home visits through five highly residential streets, including the main artery of the district, Komitas avenue.

The list of experts interviewed included two (2) heads of the Avan administrative district's waste collection and landscaping departments; the head (1) of Avan administrative district; one (1) member of the Armenian

National Assembly who also is a member of the Standing Committee on Territorial Management and Local Self-Government; and the deputy head (1) of Yerevan Municipality's information and public relations department.

#### **Data Analysis**

The primary data gathered from both surveys was analyzed using SPSS, a statistical analysis software package. Data analysis included Descriptive Statistics, mainly 'frequencies' and 'descriptives', and other analytical operations to discover cause-and-effect relationships. The latter included correlation analyses between pairs of select variables using two-tailed tests with Pearson *R* at a confidence level of 95%. Further, content analysis of notes from in-depth expert interviews was performed. Narratives were codified by descriptors identified at start (and arising from the research questions) and analyzed for intensity and depth of text or statements made by those interviewed.

## **Assumptions of the Study**

The main assumption of the current study is that the U.K. decentralization model of local government is different from other attempts tested in different countries and merits consideration and further analyses of partial and possible adoption in Armenia. Here, the research also assumes that no specific development stages are necessary to have in place for implementation of the more elementary components of decentralization that do not require sophisticated or advanced systems.

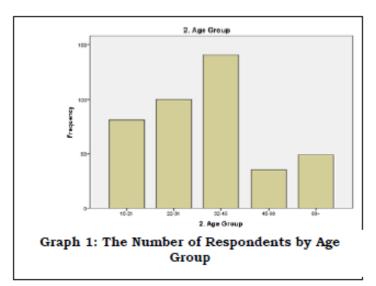
# Limitations of the Study

This study uses limited resources, both time and money. It would be appropriate to conduct a comparative study among the three cities where 'Big Society' is being piloted: London Borough of Sutton, Eden District, Cumbria and Royal Borough of Windsor and Maidenhead.

#### **Chapter 4: THE LOCALISM BILL IN SUTTON**

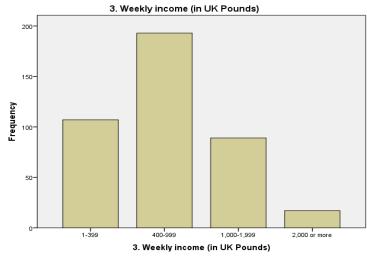
## **Sutton Residents Respond**

The data collected from 406 Sutton residents depicts the following gender distribution picture: number of female respondents was 220 (54.2%), slightly



higher than male respondents, 186 (45.6%). The distribution of respondents by age group revealed that residents in the 32-45 age group are the highest (141 or 34.7). Other groups were distributed as follows: 100 people or 24.6% are 22-31 years of age; 81 respondents

or 20% are 15-21; 49 people or 12.1% are aged 60 or older; and 35 people or 8.6% are 45-60 years of age.



Graph 2: The Number of Respondents by Level of

The third descriptive statistics was performed on level of income. The data collected shows the following: 193 respondents or 47.5% belong in the £400-999 weekly income group; 107 or 26.4%

espondents or 21.9% are in the

#### **Income**

£1,000-1,999 weekly income group; and the least number of respondents were those in the £2,000 or more weekly income, a total of 17 respondents or 4.2%.

In terms of education the options are presented as follows: Respondents holding a bachelor's degree are 119; 29.3%; those with a master's degree are 83 or 20.4% of total respondents; those with only a high school diploma are 67 or 16.5%; the number of respondents with some college education is 64 or 15.8%; those holding a technical/vocational diploma are 49 or 12.1%; and those with a doctorate or post-doctoral education are 24 or 5.9%.

The occupational profile of respondents shows the following results: Students represented 19.5% of total responses received or 79 individuals; those working in the public sector are 54 or 13.3%; those working in education or retired are 42 or 10.3%; those working in construction are 38 or 9.4%; and healthcare workers and others in private business are 35; or 8.6%. There were

a total of 81 respondents indicating other occupations (volunteering 18; unemployed 11; and those working in the service industry 12).

#### Cause-and-Effect Relationships

		Frequency	Percent	Valid Percent	Cumulative Percent
	No	127	31.3	34.4	34.4
Valid	Yes	242	59.6	65.6	100.0
	Total	369	90.9	100.0	
	Unsure	34	8.4		
Missing	System	3	.7		
	Total	37	9.1		
Total		406	100.0		

Table 1: Understanding of the Localism Bill

As shown in

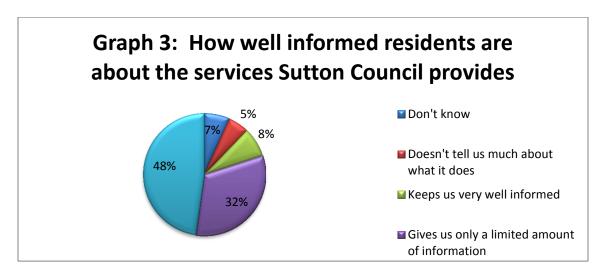
Table 1, the first cause-and-effect analysis pertains to the degree to which the people of Sutton were

informed of the provisions of the Localism Bill. This corresponds to the research question on resident awareness of their government's policy and whether or not that has any impact on the level of satisfaction with the government. In this regard, the Sutton survey showed that 242 or 60% of the respondents have a good understanding of what the Localism Bill is and how, as citizens of Sutton, they are a part of it through the council and other community groups with delegated authority, as provided by law.

This result is significant primarily because informing the public has long been the most troublesome area for Sutton Council (Ipsos MORI, 2012).

According to the most recent government survey conducted by the Sutton Council in 2011, less than half of the residents felt well-informed about how

the council spends tax revenue and what services and benefits are the residents receiving (45% and 49% respectively) (Ibid).



Source: Sutton Residents Survey 2011: Final Report

The survey also asked how local citizens feel about the Council, as this indicator is meant to show the overall satisfaction with how the Council operates. A significantly high proportion of the respondents indicated that they felt they could influence Council-run services in their area, though the percentage was still less than half. In this regard, the current study survey results are considerably higher than an earlier survey conducted by the Sutton Council in 2010, showing that the level of awareness of the Localism Bill and participation in government have increased since kicking off the Localism Bill in 2010.

The follow on question aimed at measuring the policy's success by investigating the extent to which the residents of Sutton are currently involved or intend to actively engage in local government. It was found that 43.2% of the respondents or 152 citizens responded positively to this question. Here as

well, compared to 2011 results there is significant improvement. Then, only 20% showed interest in actively engaging in Sutton Council activities. At the same time, more than half of the respondants or 51% were interested in what the council was doing but without wanting to be involved beyond that (Ibid). These results are also representative of the current situation, which has changed dramatically during the last two years, resulting in a 23.2% increase in the number of citizens who participate in local government. These results show that decentralization in Sutton does not merely have administrative value, but it also includes a 'civic dimension', which according to Vo increases the opportunities for citizens to take interest in public affairs (Vo, 2010).

Table 2: Participation in Local Government Affairs

		Frequency	Percent	Valid Percent	Cumulative
					Percent
	No	200	49.3	56.8	56.8
Valid	Yes	152	37.4	43.2	100.0
	Total	352	86.7	100.0	
Missing	Unsure	54	13.3		
Total		406	100.0		

Among those citizens that indicated participation or willingness to participate in government functions, a correlation analysis was performed to test the relationship with personal characteristics, such as level of income, level of education, and occupation. The results of the correlation are presented Table 3 below.

		1. Gender	2. Age Group	3. Weekly income (in UK Pounds)	4. Level of Education	5. My occupation is in the field of (please check the box that applies)	10. I am currently involved or intend to actively engage in local government affairs.
1. Gender	Pearson Correlation	1	.108	.002	.022	.054	060
	Sig. (2-tailed)		.029	.968	.655	.275	.261
	N	406	406	406	406	406	352
2. Age Group	Pearson Correlation	.108	1	.415**	.520**	071	128
	Sig. (2-tailed)	.029		.000	.000	.153	.016
	N	406	406	406	406	406	352
3. Weekly income (in UK	Pearson Correlation	.002	.415**	1	.642**	351**	.134
Pounds)	Sig. (2-tailed)	.968	.000		.000	.000	.012
	N	406	406	406	406	406	352
4. Level of Education	Pearson Correlation	.022	.520**	.642**	1	319**	.127
	Sig. (2-tailed)	.655	.000	.000		.000	.018
	N	406	406	406	406	406	352
5. My occupation is in the	Pearson Correlation	.054	071	351**	319**	1	220**
field of (please check the box that applies)	Sig. (2-tailed)	.275	.153	.000	.000		.000
	N	406	406	406	406	406	352
10. I am currently involved	Pearson Correlation	060	128	.134	.127	220**	1
or intend to actively engage in local	Sig. (2-tailed)	.261	.016	.012	.018	.000	
government affairs.	Ν	352	352	352	352	352	352

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

Table 3: Correlation between Involvement in Local Government Affairs and
Various Descriptors

The above indicates that respondent's age does not greatly influence his/her active involvement in local government affairs, at a 0.05 level of significance. It should be noted that a correlation coefficient of -.128 is relatively weak, which demonstrates that age itself is weak indicator of active involvement.

		intend to actively	ntly involved or y engage in local ent affairs.	Total
		No	Yes	
	15-21	34	28	62
	22-31	46	36	82
2. Age Group	32-45	62	67	129
	45-60	20	12	32
	60+	38	9	47
Total		200	152	352

Table 4: Cross-tabulation between Age and Involvement in Local Government
Affairs

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Other relationships that were tested are active involvement in local government and weekly income, and involvement v. level of education. Positive correlations of .127 and .134, suggest that both people with higher levels of education and those with higher levels of income are somewhat more likely to engage in Sutton Council activities. This does not imply that people with lower levels of education and income do not participate in local government at all, simply relatively less actively.

It is obvious from <u>Table 3</u> above that the correlation between involvement in local government and occupation is strongest at a level of significance of 0.01. The negative correlation of -.**220** indicates that people who belong to occupations that were coded lower (education, healthcare, construction, public sector) are more prone to cooperating with local Council than those who belong in the upper half (private business owner, student, retired, other). This correlation, though stronger than the aforementioned, does not yield any substantial results because people who belong to the first group of occupation naturally tend to deal with local government more often than those in the second group.

Last, the analysis failed to find any correlation between participation and gender. This is largely because the number of male and female citizens that are or would like to be in contact with their local government is roughly equal, as illustrated in <u>Table 5</u> below.

Gender \* 10. I am currently involved or intend to actively engage in local government affairs.
 Crosstabulation

			<ol> <li>I am currently involved or intend to actively engage in local government affairs.</li> </ol>		
			No	Yes	Total
1. Gender	Male	Count	84	73	157
		% within 1. Gender	53.5%	46.5%	100.0%
		% within 10. I am currently involved or intend to actively engage in local government affairs.	42.0%	48.0%	44.6%
		% of Total	23.9%	20.7%	44.6%
	Female	Count	116	79	195
		% within 1. Gender	59.5%	40.5%	100.0%
		% within 10. I am currently involved or intend to actively engage in local government affairs.	58.0%	52.0%	55.4%
		% of Total	33.0%	22.4%	55.4%
Total		Count	200	152	352
		% within 1. Gender	56.8%	43.2%	100.0%
		% within 10. I am currently involved or intend to actively engage in local government affairs.	100.0%	100.0%	100.0%
		% of Total	56.8%	43.2%	100.0%

Table 5: Cross-tabulation between Gender and Involvement in Local Government

#### **Affairs**

			Total
9. These efforts have	No	Count	18
helped me gain a good understanding of what the Localism Bill is and how, as a citizen of Sutton, I can be a part of it.		% within 9. These efforts have helped me gain a good understanding of what the Localism Bill is and how, as a citizen of Sutton, I can be a part of	100.0%
		It.	l
		% within 11. Central government is cutting central targets on councils, easing the	18.4%
		burden of inspection, and	l
		reducing red tape.	
		% of Total	18.4%
	Yes	Count	80
		% within 9. These efforts have helped me gain a good understanding of what the Localism Bill is and how, as a citizen of Sutton, I can be a part of it.	100.0%
		% within 11. Central government is cutting central targets on councils, easing the burden of inspection, and reducing red tape.	81.6%
		% of Total	81.6%
Total		Count	98
		% within 9. These efforts have helped me gain a good understanding of what the Localism Bill is and how, as a citizen of Sutton, I can be a part of	100.0%
		It. % within 11. Central government is cutting central targets on councils, easing the burden of inspection, and reducing red tape.	100.0%
		% of Total	100.0%

A cross-tabulation
was performed to understand if
any relationship exists between
respondents' awareness of the
Localism Bill and their
acknowledgement that the
central government is alleviating
targets, easing the burden of
inspection, and reducing red
tape.

**Table 6: Cross-tabulation** 

These results demonstrate that the vast majority or 98 respondents who have rated their knowledge of the Localism Bill as high are also more inclined to state that the central government is in fact cutting central targets on councils, easing the burden of inspection, and reducing red tape. This result not only answers the referenced research question, but also explains whether or not British society is capable of self-organizing absent control and oversight by central authorities.

In order to test this question further a correlation analysis was conducted between questions that touch upon the respondents' knowledge of the Bill and their respective involvement in government in relation to those questions that pertain to various freedoms and flexibilities for local government that are inscribed in the Bill. Table 7 below represents the most significant results.

		9. These efforts have helped me gain a good understandin g of what the Localism Bill is and how, as a citizen of Sutton, I can be a part of it.	13. Central government is affording new freedoms and flexibilities for local government; new rights and powers for communities and individuals.	14. Recent reforms to make the planning system more democratic and more effective.	17. Instead of being able to act only where the law says they can, local authorities are freed to do anything, provided they do 2t break other laws.	20.The Localism Act gives councils more freedom to offer business rate discounts to help attract firms, investment and jobs.	23. The Bill provides strong reasons for neighboring local authorities to work together on planning issues in the interests of their local residents (flooding, public transport networks, or major new retail parks).	24. The new neighborhood planning will allow communities to come together through a local parish council or neighborhood forum and say where they think new houses, businesses and shops should go and what they shuld look like.	25. The Act gives local authorities greater freedom to set their own policies about who should qualify for social housing in their area.
These efforts have helped me gain a good	Pearson Correlation	1	.369**	.352**	.347**	.369**	.358	.342**	.357**
understanding of what the Localism Bill is and how,	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000
as a citizen of Sutton, I can be a part of it.	N	369	369	369	369	369	369	369	369

Table 7: Understanding of the Localism Bill in relation to various Freedoms and Flexibilities provided to Local Governments and Councils

The above indicates that correlation exists between respondent's knowledge of the Localism Bill and various freedoms and flexibilities that the

central government delegates to local government(s). The strongest correlation is between respondent's awareness of the Localism Bill and his/her recognition that central government is affording new freedoms and flexibilities for local government, as well as new rights and powers to communities and residents. A strong positive correlation exists at .369 at a 0.01 level of significance. It was already shown that the majority of respondents have good understanding of the policies being piloted in their locality. This correlation indicates that these residents also recognize and appreciate the recent reforms to make their government more efficient.

It should be added that the table above shows two distinct trends. First, it supports the question of British society's ability to self-organize absent control and oversight by the central authorities. And secondly, these results are in accordance with major theoretical roots of 'Big Society', i.e., the Burkean concept of 'traditional conservatism' that calls for the development of so called *small platoons* of voluntary associations. This statement is supported by the correlation between respondent's knowledge of the Localism Bill and their recognition of more freedom to local councils in affording business incentives to help attract new firms, investments and jobs, as inscribed in the Localism Act 2011.

Another crucial investigation into the Sutton Survey was whether the respondents who are actually cooperating with their local government are also satisfied with the new powers it exercises.

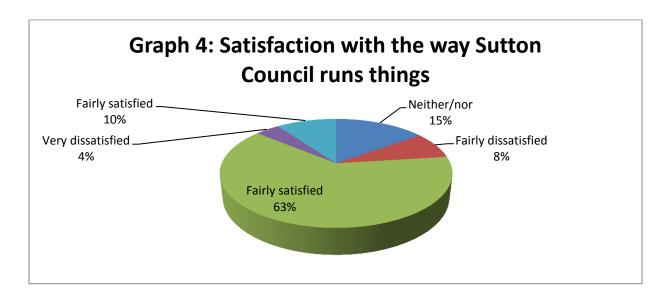
		10.1 am currently involved or intend to actively engage in local government affairs.	15. Local government is directly responsible for important public services, from street lighting, to social care, to libraries and leisure centers.	17. Instead of being able to act only where the law says they can, local authorities are freed to do anything, provided they do 2t break other laws.	18. The new, general power gives councils more freedom to work together with others in new ways to drive down costs.	20.The Localism Act gives councils more freedom to offer business rate discounts to help attract firms, investment and jobs.	22. The Government is committed both to recycling and to reducing the amount of rubbish by encouraging people to do the right thing, 2t through fines and punishments.	24. The new neighborhood planning will allow communities to come together through a local parish council or neighborhood forum and say where they think new houses, businesses and shops should go and what they should look like.
10. I am currently involved	Pearson Correlation	1	.347**	.345**	.341**	.335**	.333**	.347**
or intend to actively engage in local	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000
government affairs.	N	352	352	352	352	352	352	352

Table 8: Correlation between Active Involvements in Local Government and

Several Key Variables

<u>Table 8</u> above indicates that, like in the previous case, a relationship exists between respondent's active involvement in local government and various freedoms and flexibilities that the central government delegates to local councils. From the list above, the strongest correlation of .347 is between respondent's active involvement in local government and the government's responsiveness to important public services, from street lighting, to social care, libraries, and leisure centers. Similarly, the correlation is equally strong between respondent's active involvement in local government and government's adoption of a new neighborhood planning system that will allow communities to come together through their local parish council or neighborhood forum and have a say in the planning process or in deciding where they would need new houses, businesses and shops to go and what the plan should look like. Both of these correlations are significant at 0.01 level, while the strength of correlation is .347, which is fairly strong. These correlations further show that the provisions that make U.K.'s decentralization different from others is the broader public engagement and support.

It should be added that the Council Survey revealed similar results. The most major issue was the local citizens' satisfaction with how their council operated. The majority of residents (73%) indicated that they are satisfied with the way in which Sutton Council is running the government. In fact, the proportion of 'very satisfied' residents was higher than it was in 2009 (10% v. 5% in 2009) (Ipsos MORI, 2012).



Source: Sutton Residents Survey 2011: Final Report

This survey also revealed several negative effects. It showed that there are distinct groups whose members are not satisfied with the Localism Bill and their council, in particular. One such group is related to age. For instance, those respondents who are 60 years of age or older are less satisfied with the way their council operates. According to the Council's stated explanation of this phenomenon is that older residents are less likely to use those services that are drawing the highest levels of satisfaction, such as schools (89%) and services for young people (66%) (Ipsos MORI, 2012). The other group that

draws attention due to its low level of satisfaction is represented by people with longstanding disabilities or illnesses, who are also less likely to have a permanent job. Nevertheless, the Sutton Survey did not go further in analyzing the specific reasons why these groups are dissatisfied.

Nevertheless, most respondents have shown satisfaction with the programs that the Council has introduced or launched. Moreover, the results indicate that the Council has acquired a sense of ownership and started to assume greater responsibility for those programs. The assumption of responsibility will lead, according to Crook and Manor, to maintenance of those programs over time, while enhanced maintenance would render development more sustainable and the results more predictable (Crook & Manor, 2000).

Lastly, in addition to questions concerning decentralization there were several others that pertain to specific policies that the London Borough of Sutton Council has adopted. The analysis shows overall satisfaction with these policies among the respondents. Further, a correlation analysis performed to reveal if any relationship existed between with personal characteristics, such as gender, age, level of income, level of education and occupation. The results of the correlation are presented in the following table.

				5. My occupation is in the field of	30. The creation of Sutton Partnership Board is supportive of local plans and initiatives and makes the	31.I am satisfied with how Sutton Council gives opportunity to people like to me share their ideas on how to run the local	33. Our 3 gives everyone an equal chance to speak up during important meetings	35. Our authorities have been successful in reducing the negative effects of Alcohol
				(please check the box that	community work more	community in a more	even if they he/she can2t	Related Harm for the local
		1. Gender	2. Age Group	applies)	efficient.	efficient way.	attend it.	population.
1. Gender	Pearson Correlation	1	.108	.054	040	086	090	136**
	Sig. (2-tailed)		.029	.275	.424	.085	.069	.006
	Ν	406	406	406	406	406	406	406
2. Age Group	Pearson Correlation	.108	1	071	077	141**	021	072
	Sig. (2-tailed)	.029		.153	.121	.004	.675	.147
	Ν	406	406	406	406	406	406	406
5. My occupation is in the	Pearson Correlation	.054	071	1	172**	.004	153**	086
field of (please check the box that applies)	Sig. (2-tailed)	.275	.153		.001	.940	.002	.082
box triat applies)	N	406	406	406	406	406	406	406

Table 9: Correlation between Respondents' Personal Characteristics and the Council's Arrangements

Before proceeding further, it is important to note that no correlation exists between repspondnets' level of education or weekly income with any of the Council's *modus operandi* identified in <u>Table 9</u> above. However, a correlation does exist between respondents' gender and attitude with respect to the reduction in negative effects of alcohol-related harm. This correlation is rather weak at -.**136** and a 0.01 level of significance.

The Council Survey also discovered areas where the Council's activities could be improved. First and foremost, these services are related to dealing with issues of crime, anti-social behavior, and safety. Though the level of perceived safety was considerably high at 96%, anti-social behavior was still the main concern for residents; more than half of respondents indicated that crime is the most important priority issue that police and Council must handle, followed by burglary or theft. Within the same context, a significant correlation was found between people's backgrounds and the degree to which they attach any importance to this or that problem. For instance, according to the Sutton Council's analysis, females aged 55-64 years of age were more likely to feelconsiderably high (96%), anti-social behavior was still the main concern for

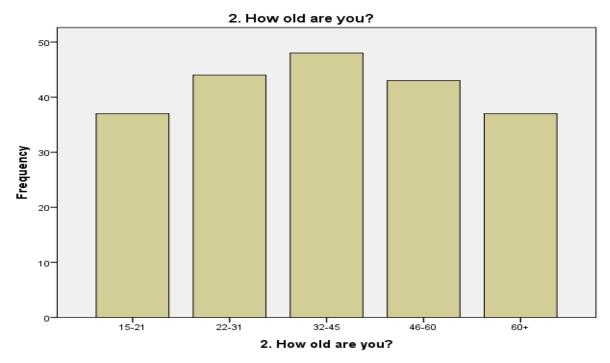
unsafe at night (Ibid). Overall, these are the issues that should be improved or reconsidered. The surveys largely show that the positive public opinion on decentralization efforts outweigh the negative ones.

If one compares the U.K. case with existing concepts on decentralization, it would become clear that this case is somewhat similar to 'devolution' or 'democratic decentralization', during which central government transfers decision making, while local governments become quasi-autonomous in administering their finances and in managing different functions. Nevertheless, there is one clear distinction between devolution per se, which has been exercised by the vast majority of developed countries and the policy that is being tested in Sutton currently. The main difference in the case of Sutton is that, to a large extent, the larger Sutton communities have started to be actively engaged in governing their borough.

### **Chapter 5: Applicability of the British Model to Armenia**

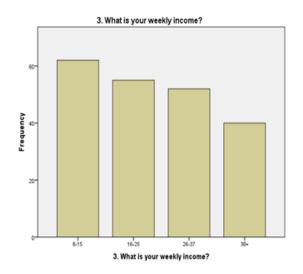
### Yerevan Residents Respond

The data collected from the survey of the Arabkir administrative district shows the following results: among the 209 survey respondents, the proportion of females was marginally greater than males: 119 (56.92%) to 90 (43.1%).



Graph 5: The Number of Respondents by Age Group

Graph 5 above depicts the distribution of respondents by age group. Thus, 32-45 year-olds are the largest group (48 or 23%), followed by 22-31 and 46-60 year-olds (44 or 21.1% and 43 or 20.6%), respectively. The smallest groups were the youngest and the oldest, 15-21 and 60 or older residents (37 or 17.7%) in each.



Graph 6: The Number of Respondents by Weekly Income

The third descriptor used in this analysis weekly income, was based on which people divided into four groups, similar to the Sutton Survey. Among these groups the most frequent were those respondents with a weekly income of AMD 8,000-15,000 AMD (62)or 29.7%);

followed by those in the AMD 16,000-25,000 group (55 respondents or 26.3%); and AMD 26,000-37,000 group (52 respondents or 24.9%). The number of respondents in the AMD 38,000 or more weekly income was the least (40 people or 19.1%). From these results it could be implied that the distribution was fairly representative of the larger population.

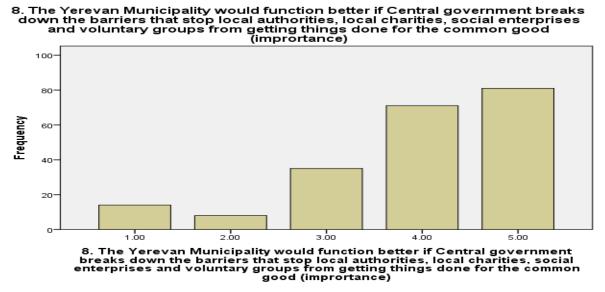
The distribution by respondents' level of education was as follows: bachelor's degree (74; 35.4%); high school (41; 19.6%); master's degree (40; 19.1%); technical/vocational diploma (30; 14.4%); some college education (13; 6.2%); and doctorate or post-doctoral education (11; 5.3%).

And finally, the respondents' occupation is portrayed as follows: student (38 or 18.2%); educator (28 or 13.4%); construction worker or retired (23 or 11%); private business owner (21 or 10%); public sector (20 or 9.6%); healthcare worker (19 or 9.1%); and other (37 or 17.7%).

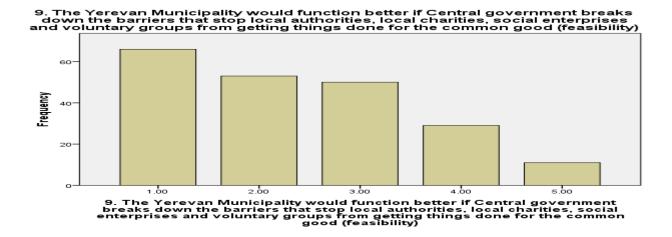
#### Cause-and-Effect Relationships

The main analysis conducted under this section pertained to the degree to which the residents of Arabkir administrative district would find the implementation of reforms similar to those of Sutton both important and feasible in Armenia. This chapter aims to identify the classification of residents that are willing to see reforms in their neighborhood and which class/group believes that such reforms are feasible in Yerevan. This chapter mainly responds to the research question that measures whether there are elements in the Localism Bill that could be adopted in Armenia.

It should be noted that a similar trend has been identified throughout the questionnaire. People are generally curious about the reforms that were mentioned, but do not believe that those could be implemented in Armenia currently. <u>Graphs 7a and 7b</u> below represent the strand of responses.



Graph 7a: Importance of a Reform



Graph 12b: Feasibility of a Reform

For the question on whether or not the Yerevan Municipality would function better if central government breaks down the barriers that stop local authorities, local charities, social enterprises and voluntary groups from getting things done for the common good, the citizens responded as follows: 152 or 72.8% acknowledged that this reform was either important or very important, while only 40 of them or 19.2% claimed that this reform could be implemented in their administrative district. From the list of questions aiming at measuring the feasibility of reforms, there were several that scored high, more or less. These were the questions that touched upon the feasibility of reforms. The first reform dealt with establishing an effective and more participatory planning and reporting system: overall 61 respondents or 29.2% either agreed or agreed completely.

Next was the question on the establishment of a more sophisticated and improved waste management system that will significantly reduce pollution in Yerevan and respond to the needs of the local population: 63 respondents or

30.8% answered positively. The third question concerned passing a new law on local self-government that would increase the level of cooperation among neighboring districts on issues of planning and in the interest of local residents. The number of people who agreed that this reform is feasible was 66 or 31.6% of respondents. An equal number of respondents agreed to the adoption of a new neighborhood development plan that would allow communities to have a say in major public issues.

These results directly refer to the research question that aimed to find out whether the Armenian government should make policy reforms similar to 'Big Society'. Nevertheless, one must restate that a country like Armenia should not undertake radical reforms and the government should implement

1			16. A new law
			on local
			government
			should be
			passed
			affording
			district
			councils more
			freedom to
			offer new
			business incentives to
			attract new
			firms, new
			investment
			and jobs into
			their districts.
		1. What is	respectively
		your gender?	(importance)
1. What is your gender?	Pearson Correlation	1	268**
	Sig. (2-tailed)		.000
	7	209	209
16. A new law on local	Pearson Correlation	268**	1
government should be			
passed affording district			
councils more freedom to	Sig. (2-tailed)	.000	
offer new business incentives to attract new			
firms, new investment			l
and jobs into their	N	209	209
districts, respectively	1.4	209	209
(importance)			
(importance)			

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Table 10: Correlation on Passing New Laws on Local Government in Armenia

time. In order to discuss the possibility of implementing the elements of the Localism Bill, the following correlation analysis was performed.

The above shows that negative correlation exists between respondents' gender and importance of passing a new law on local government, affording district councils more freedom to offer new business incentives to attract new firms, new investment and jobs into their district, which is statistically significant at 0.01 level. The strength of correlation is -.268. This correlation is representative of current Armenian realities. It shows that male citizens, who engage in business affairs more often, are more sympathetic of such legislative undertakings.

Correlations

		5. What is the field of your occupation?	31. Ordinary citizens should be given the opportunity to share their ideas on how to run the local community in a more efficient way. (feasibility)
5. What is the field of your	Pearson Correlation	1	147*
occupation?	Sig. (2-tailed)		.034
	И	209	209
31. Ordinary citizens should be given the	Pearson Correlation	147*	1
opportunity to share their ideas on how to run the local community in a	Sig. (2-tailed)	.034	
more efficient way. (feasibility)	И	209	209

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

Table 11: Correlation between Respondents' Occupation and Feasibility of Ordinary Citizens' Engagement into Local Government Affairs

The above demonstrates that a negative correlation exists between respondents' occupation and the feasibility of ordinary citizens being given the opportunity to share their ideas on how to run the local government more

efficiently. The strength of this correlation -.147 makes evident that people who work in the spheres of education, healthcare, public sector (civil servants) or construction tend to agree slightly more that the Yerevan local government should engage residents in local government. In contrast, residents who are private business owners, students, or are retired were not in favor. This result is thought to be logical, as the first group of respondents' works in spheres that share common concerns with local authorities compared to those who responded negatively to this question. This finding corresponds with ideas of various authors (National Coalition for Independent Action, 2012) who assert that granting ordinary citizens better chances to participate in local decision-making processes provides better representation and, as a result, gives ordinary citizens better access to local public services reducing vulnerability and insecurity.

		Municipality is ready and competent to become more independent in managing the city without Central government control and oversight (importance)	2. How old are you?	3. What is your weekly income?	4. What is your level of education?
6. The Yerevan     Municipality is ready and     competent to become	Pearson Correlation	1	148	280**	140*
more independent in managing the city without	Sig. (2-tailed)		.032	.000	.043
Central government control and oversight (importance)	Ν	209	209	209	209
2. How old are you?	Pearson Correlation	148	1	.104	.117
	Sig. (2-tailed)	.032		.133	.093
	N	209	209	209	209

6. The Yerevan

Ν

Pearson Correlation

Pearson Correlation

Sig. (2-tailed)

Sig. (2-tailed)

What is your weekly

What is your level of

income?

education?

**Table 12: Various Correlations** 

280

.000

209

-.140

.043

209

104

.133

209

117

.093 209 209

546

.000

209

546

.000

209

209

N \*. Correlation is significant at the 0.05 level (2-tailed).

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed)

A negative correlation was also found between the importance of Yerevan Municipality's readiness and competence to become more independent in managing the city without central government control and oversight with respondents' age, level of education and weekly income. The first two are significant at 0.05, while the last one at 0.01. The strength of the correlation related to weekly income is -.280, which is stronger than the correlation with age at -.148 and level of education at -.140. This means that people with a lower level of income agree with the statement more than those who are younger or have a lower level of education. At the same time, these three phenomena, i.e., lower level of education, lower income, and younger age are somewhat interrelated; those who satisfy the third criterion usually satisfy the first two criteria as well.

	Correlations		
		3. What is your weekly income?	8. The Yerevan Municipality would function better if Central government breaks down the barriers that stop local authorities, local charities, social enterprises and voluntary groups from getting things done for the common good (importance)
3. What is your weekly income?	Pearson Correlation Sig. (2-tailed) N	1 209	180 <sup>**</sup> .009 209
8. The Yerevan Municipality would function better if Central government breaks down the barriers that stop local authorities, local charities, social enterprises and voluntary	Pearson Correlation Sig. (2-tailed)	180 <sup>**</sup> .009	1
groups from getting things done for the common good (importance)	И	209	209

Table 13: Correlation between Weekly Income and Central Government's Actions
to Improve Governance of Yerevan Municipality

<u>Table 12</u> above indicates that there is a statistically significant negative correlation of -.**180** between respondents' weekly income and the importance of

central government to break down the barriers that stop local authorities, local charities, social enterprises and voluntary groups from getting things done for the common good in order to improve the functioning of Yerevan Municipality, significant at 0.01 level. The results of this analysis show the attitude of ordinary citizens of Yerevan at a lower level of income with respect to public services that local community groups, such as charities and voluntary groups can do in support of improving the way Yerevan Municipality is run.

		2. How old are you?	3. What is your weekly income?	4. What is your level of education?	32. Yerevan municipality is ready and has the capacity to implement the aforemention ed provisions. (importance)
2. How old are you?	Pearson Correlation	1	.104	.117	.136
	Sig. (2-tailed)		.133	.093	.050
	Ν	209	209	209	209
3. What is your weekly	Pearson Correlation	.104	1	.546**	.150
income?	Sig. (2-tailed)	.133		.000	.030
	Ν	209	209	209	209
4. What is your level of	Pearson Correlation	.117	.546**	1	.156
education?	Sig. (2-tailed)	.093	.000		.024
	Ν	209	209	209	209
32. Yerevan municipality	Pearson Correlation	.136	.150	.156	1
is ready and has the capacity to implement the aforementioned	Sig. (2-tailed)	.050	.030	.024	
provisions.(importance)	N	209	209	209	209

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

Table 14: Correlations between Other Variables

Finally, the analysis also showed a positive correlation between age, income and education vis-a-vis Yerevan municipality's readiness and capacity to implement the provisions that were included in the questionnaire, as depicted above. All of these correlations are significant at a 0.05 level of significance. It can be implied from <u>Table 13</u> above that older people with

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

higher levels of income and education believe that it is important that the Yerevan Municipality prepare to implement the aforementioned provisions.

#### Interviews

The content analysis of notes taken from in-depth expert interviews will be discussed below. For that purpose, several descriptors were identified at start and were used to codify the interview notes and score the strength of experts' positions on each descriptor on a scale of 1 to 5, based on the responses provided by the experts. The descriptors are:

- a. Yerevan Municipality's ability to manage the city without central government control and oversight
- b. Yerevan Municipality's willingness to pass reforms to establish an effective planning and reporting system
- c. Yerevan administrative district authorities' ability to assume direct responsibility for providing public services
- d. Yerevan Municipality's enthusiasm in passing a new law on local selfgovernment to increase the level of cooperation between neighboring district authorities
- e. Yerevan administrative districts' willingness to engage local residents more actively in local government affairs

Yerevan Municipality's ability to manage the city without central government control and oversight (1.2)

It was inferred from the analysis of interviews that Yerevan Municipality is neither able nor wishes to become independent from central government oversight and control. The majority of officials stated that the "RA law on local government concerning the city of Yerevan"5 adopted in 2008, has substantially decreased the role of Yerevan in the government hierarchy and is clearly an improvement over the previous one.

It was also noted that the role of the RA government in running the city of Yerevan is mostly advisory and the Mayor of Yerevan has a reciprocal role in the RA government. Three of the experts interviewed noted that because of the current system, various administrative districts of Yerevan have significantly increased their productivity and efficiency. Taking into consideration all the aforementioned arguments, the mean of responses given by the experts interviewed is the lowest for this descriptor (1.2).

# Yerevan Municipality's willingness to pass reforms to establish an effective planning and reporting system (3.4)

The Municipality official posited that the current planning system should be reformed, i.e., the waste collection system and the number of companies that operate in this sphere should perform better to improve the quality of service. This position was shared by the member of RA National Assembly's Standing Committee on Territorial Management and Local Self-Government, who also noted that the planning system demands significant reforms. It needs to meet both internal and external challenges and opportunities. At the same

time the heads of the Avan administrate district and the district's landscaping department took a milder position iterating that such reform is not necessary at this time, while the head of a company that operates waste collection in the district indicated that any reform in this sphere would "spoil everything."

# Yerevan administrative district authorities' ability to assume direct responsibility for providing public services (2.6)

With regard to administrative district authorities having direct responsibility for public services, the situation is more complex. During a more casual conversation with an official from the Yerevan Municipality it became clear that the Municipality would like administrative districts to exercise more power in the future, once they all get to the same level compared to one another. However, those officials who are directly responsible for the provision of those public services decisively spoke against delegating these to local administrative districts. The head of the Avan administrative district also stated that delegation of so much power would have drastic results for the community, without further elaboration.

# Yerevan Municipality's enthusiasm in passing a new law on local selfgovernment to increase the level of cooperation between neighboring district authorities (3.6)

Among those officials who were interviewed only one was clearly in favor of such a position. He stated that, though the Municipality does not consider the need to adopt a new law, several key elements within the law should be

reformed. The second part of the statement seemed to be more controversial. Some of the officials, namely the head of the Avan administrative district and the head of the same district's landscaping department claimed that the scope of their cooperation with other administrative districts is significant and covers a broad range of issues. In contrast, the head of the company that runs Avan administrative district's waste collection department mentioned that there is almost no cooperation among districts and that each company sets the schedule for waste collection without consultation with other companies. This fact was acknowledged by the deputy head of Yerevan Municipality's information and public relations department, who stated that among various reforms a new waste-collection system is in progress and is intended to improve the waste collection system per se and to increase the companies' willingness and duty to cooperate with one another.

## Yerevan administrative districts' willingness to engage local residents more actively in local government affairs (4.2)

One of the main problems to which significant attention was paid is the need to increase local accountability and to attract ordinary citizens to actively engage in crafting the new system, which corresponds to the last descriptor to be discussed. Experts mentioned that a series of initiatives known as "A Wall of Wishes" were organized in several districts of Yerevan last summer, through which ordinary citizens would write their proposals on the wall, while the most solid ones among them would be discussed during a municipality meeting.

This arrangement has so far been the only one taken by the government that would make a similar policy possible.

These initiatives are said to be continuous. Two other issues that were mentioned to increase local residents' engagement are the hot line, through which fellow citizens can share their opinions and speak out, as well as the single-window system, which makes the functioning of Yerevan Municipality less sophisticated, more convenient and closer to the people.

The head of the Avan administrative district mentioned that there are special days when local residents can discuss their neighborhood problems with professionals, share their opinions and participate in hearings of those problems, organized by the district authority. This issue came up more often than the others and in a more positive context. It is a field where the municipality's input is the most significant and the outputs are appreciated. For that reason this descriptor scored higher than the others.

# Chapter 6: Summary of Findings and Suggestions for Future Research

#### **Summary of Main Results**

The Sutton Survey conducted for the current study showed significant improvements in various aspects, compared to the one that Sutton Council had conducted earlier. The analysis shows that younger residents are both more aware of the Localism Bill and more actively engaged in local government.

Further, those who are aware of the Localism Bill are also actively engaged in local government.

Regarding the main questions on the implementation of the Localism Bill, the majority of respondents gave positive feedback. For that reason, in some cases, it was impossible to uncover significant correlations. Correlation analyses showed that people who are aware of the Coalition government's policies also recognize the freedoms and flexibilities that are transferred to local governments. They also recognize the importance of cooperation among neighboring communities on planning issues. While those who are actively engaged in local government are inclined to consider that their local council is directly responsible for important public services.

In this regard, it should be added that there is an overall positive environment for the implementation of reforms indicated by 'Big Society' and the Localism Bill, particularly. A noteworthy increase in the level of satisfaction with their Council among the residents of Sutton suggests that the

majority of respondents acknowledge a positive shift in Local government's policy, which once again states that the level of public enthusiasm and implementation support for 'Big Society' in the U.K. is significantly high. The findings also suggest an appetite for deeper involvement and engagement with the Council. But, the Council's efforts here may be better focused in mobilizing those individuals already doing their share, since it is probably those already volunteering in their community who are more likely to say these things.

Overall, after representing and discussing all the pros and cons it would be appropriate to say that the positive results outweigh the negative ones. After all, the data from the London Borough of Sutton offer an interesting model that could be considered for application and implementation, with specific changes, in other countries.

The analysis of applicability of the British model to Armenia showed that one of the most significant findings is the respondents' willingness to exercise local government reforms in Yerevan. A more decentralized system, closer to the public is one of the main priorities for almost everyone surveyed/interviewed. Nevertheless, the majority of respondents did not consider such reforms feasible in Armenia.

Among other results it should be noted that younger citizens are generally more open-minded in terms of implementation of reforms in their neighborhood. Moreover, some of them show willingness to engage in such reform actively and to promote good governance in their administrative district.

It was also discovered during the interviews that there is an increasing trend among Yerevan Municipality to improve the services that it provides. This fact was acknowledged by the citizens themselves when questions on waste collection and transportation system were raised. Moreover, both Yerevan Municipality and the government have already taken significant measures that would make a similar policy possible, e.g. establishment of the "Wall of wishes" or the recent reforms to the "RA law on local government in the city of Yerevan"

Acknowledging the fact, the majority of respondents noted that these reforms could not be implemented in Armenia, nevertheless, the survey and interview results are impressive, as they demonstrate that both sides participating in the process of local governance are worried about the situation and eager to make changes for the sake of common good.

#### **Testing the Hypotheses**

The first hypothesis is accepted, because the data provided by the first two chapters revealed that the majority of the residents of Sutton, U.K. are in reality well informed of the provisions of the Localism Bill. H2 is refuted by the survey that was conducted for the study. Although, the number of participants has been increasing dramatically since 2009, less than half of respondents participate in Local government affairs or intend to do so. H3 is accepted. The questions on decentralization received generally high grades. This indicates that there is sufficient public support for these policies. It should be restated that survey findings discovered that the majority of local residents does

support the main elements of Localism Bill while the content analysis of notes taken during the expert interviews states that the implementation of this is somewhat feasible in Armenia. Thus, H4 is partially accepted. The main precondition is holding a similar study after the municipal elections in Yerevan and analyzing whether significant changes in terms of improved overall climate or passed reforms have taken place.

#### **Conclusions and Discussion**

Within the framework of this research a fairly recent decentralization model, i.e. the British 'Big Society' was discussed. Although launched less than three years ago and absent much evidence of success at this early stage, the model represents a new policy option among the broad range of decentralization policies. In that sense, the model was analyzed from the perspective of its applicability to Armenia (which has recently launched fiscal and administrative decentralization policies). During the analysis several crucial trends were identified both in the U.K. and in Armenia showing similarities between the two countries. In both cases young adults are the driving forces behind those policy changes, as well as more supportive and engaged.

The main conclusion of this research is that a legislative undertaking similar to the Localism Bill in its key provisions, i.e., delegation of the responsibility for public services to local government, establishment of a more

effective planning and reporting system, and others could be implemented within the framework of Yerevan administrative districts.

Within the scope of the current research, several recommendations should be made. First of all, the study suggests that the Borough of Sutton should go forward with the implementation of these reforms, but at the same time pay attention to what the majority of Sutton residents have expressed in terms of their satisfaction with the changes implemented. Additionally, looking into the reasons why other social groups, such as the elderly and the handicapped appear to be dissatisfied. Getting the support of these groups would significantly improve the Coalition government's chances of success.

In the case of the Yerevan Municipality, there is sufficient reason to believe that there are lessons to be learned from the U.K. 'Big Society' experience and provisions to consider for adoption in Armenia. Although the sample used in this study is too small to make inferences, there appears to be overall public enthusiasm for decentralization reforms among the citizens of Yerevan. Further, substantial effort could be expanded to engage the youth, to increase interest in participation in reform projects as the *avant-garde* of the Armenian model of decentralization. Parallel to that, the government should begin implementing a well-structured training program to prepare civil servants in the competencies needed if decentralization were to be implemented in Armenia in the near future.

### **Suggestions for Future Research**

The main suggestion for future research would be to pay attention to the limitations of the current study, i.e., to have a larger sample for the surveys; to make the surveys more representative of the target population; to compare various cases; and to do observations of the cities and towns where the Localism Bill is being piloted. In case of applying this case to Armenia, a citywide or even nationwide survey should be conducted, because various regions of Armenia and the administrative districts of Yerevan are in different stages of development.

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### ANNEX 1

#### **SUTTON SURVEY**

	eneral Questions on Personal Characteristics — Questions 1-6 — for each of these estions below, please mark the box that best fits your personal characteristics.
1.	Gender Male Female
2.	Age group: □ 15-21 □ 22-31 □ 32-45 □ 45-60 □ 60 +
3.	Weekly income (in U.K. £): $\Box$ 1-399 $\Box$ 400-999 $\Box$ 1,000-1999 $\Box$ 2000 or more
4.	Level of education: ☐ High school ☐ Some college ☐ Technical/Vocational diploma ☐ Bachelor's degree ☐ Master's degree ☐ Doctorate or post-doctoral education
5.	My occupation is in the field of (please check the box that applies): $\Box$ Education
	☐ Healthcare ☐ Construction ☐ Public Sector ☐ Private Business Owner
	□ Student □ Retired □ Other
6.	I am a member of:       □ City council       □ Labor union       □ Local Council         □ Local school system       □ Local Library       □ Other
	<b>towledge of the Localism Bill</b> — <b>Questions 7-9</b> — These questions are intended to measure your derstanding of the subject and how you would evaluate the government's actions for popularizing the derivative subject.
7.	Has the government made effort to raise public awareness of the provisions of the Localism Bill in Sutton? $\Box$ Yes $\Box$ No $\Box$ Don't know
8.	If yes, what type of public events, instructional material or awareness raising campaigns did the government employ? ( <i>Please check all that apply.</i> ) If no, move to the next question
	☐ Public meetings ☐ Distribution of pamphlets ☐ TV/radio coverage ☐ Interviews with news agencies ☐ Other
9.	These efforts have helped me gain a good understanding of what the Localism Bill is and how, as a citizen of Sutton, I can be a part of it. $\square$ Yes $\square$ No $\square$ Unsure
10.	I am currently involved or intend to actively engage in local government affairs $\square$ Yes $\square$ No $\square$ Unsure
sati Lik	<b>vel of Satisfaction</b> — <b>Questions 11-25</b> — These statements aim at measuring the level of your isfaction with the <b>extent of power vested in local councils through the Localism Bill</b> . On a ert scale of 1 through 5, where $1 = \text{total dissatisfaction}$ ; $3 = \text{neutral}$ ; and $5 = \text{full satisfaction}$ ; please $6 + 6 + 6 + 6 + 6 + 6 + 6 + 6 + 6 + 6 $

	1	2	3	4	5
11. Central government is cutting central targets on councils, easing the					
burden of inspection, and reducing red tape.					
12. Central government is breaking down the barriers that stop councils,					
local charities, social enterprises and voluntary groups getting things					
done for them.					

	1	2	3	4	5
<b>13.</b> Central government is affording new freedoms and flexibilities for local government; new rights and powers for communities and individuals.					
<b>14.</b> Recent reforms to make the planning system more democratic and more effective.					
<b>15.</b> Local government is directly responsible for important public services, from street lighting, to social care, to libraries and leisure centers.					
<b>16.</b> Government is transferring power to the lowest practical level, close to the people who are affected by decisions.					
<b>17.</b> Instead of being able to act only where the law says they can, local authorities are freed to do anything, provided they do not break other laws.					
<b>18.</b> The new, general power gives councils more freedom to work together with others in new ways to drive down costs.					
<b>19.</b> In lieu of the Standards Board regime, local authorities can now draw up their own codes, and it will become a criminal offence for councilors to deliberately withhold or misrepresent a financial interest.					
20. The Localism Act gives councils more freedom to offer business rate discounts to help attract firms, investment and jobs.					
<b>21.</b> The Act also enables Ministers to transfer local public functions from central government to local authorities in order to improve local accountability or promote economic growth.					
<b>22.</b> The Government is committed both to recycling and to reducing the amount of rubbish by encouraging people to do the right thing, not through fines and punishments.					
<b>23.</b> The Bill provides strong reasons for neighboring local authorities to work together on planning issues in the interests of their local residents (flooding, public transport networks, or major new retail parks).					
24. The new neighborhood planning will allow communities to come together through a local parish council or neighborhood forum and say where they think new houses, businesses and shops should go					

and what they should look like.			
<b>25.</b> The Act gives local authorities greater freedom to set their own			
policies about who should qualify for social housing in their area.			

**Level of Satisfaction** — **Questions 26-39** — These statements aim at measuring the level of your satisfaction with the **manner in which local communities and councils are carrying out the provisions in the Localism Bill**. On a Likert scale of 1 through 5, where 1 = total dissatisfaction; 3 = neutral; and 5 = full satisfaction; please check the number that best reflects the level of your satisfaction.

	1	2	3	4	5
<b>26.</b> I am satisfied with how local communities are exercising their right to					
challenge the level and quality of services provided by local					i
authorities.					
<b>27.</b> The adoption of new programs such as the domestic waste reduction					
schemes brought about improvement in public service.					
<b>28.</b> I am satisfied with our council's decision to reward recycling as a					
means to save money from waste collection costs.					
<b>29.</b> Sutton Local Committee has successfully resolved the major public					i i
issues, such as purchase of new benches and fences.					ı
<b>30.</b> The creation of Sutton Partnership Board is supportive of local plans					i i
and initiatives and makes the community work more efficient.					ı
<b>31.</b> I am satisfied with how Sutton Council gives opportunity to people					i i
like me share their ideas on how to run the local community in a more					ı
efficient way.					
<b>32.</b> 'Speak out Sutton' is an important platform where everybody's voice					i
is equal and the Council carries out decision through correspondence					i i
with them.					
<b>33.</b> Our local council gives everyone an equal chance to speak up during					i i
important meetings even if they he/she cannot attend it.					1
<b>34.</b> The establishment of 'Safer Sutton Partnership Plan' has significantly					i
reduced the levels of crime in the borough.					1
<b>35.</b> Our authorities have been successful in reducing the negative effects					i l
of Alcohol Related Harm for the local population.					
<b>36.</b> The life of children and young people in Sutton has become safer,					i l
healthier and fulfilled after the adoption of 'Children and Young					i l
People's Plan'.					
37. 'Sutton's Economic Development Strategy' has been discussed with					i i
the local community members and satisfies the needs of people like					ı
me.					
<b>38.</b> The adoption of 'Sutton Transport Plan' by the council has so far been					Į.
in accordance with local transportation challenges and opportunities.					

## ANNEX 2

#### ARABKIR SURVEY

			-				<b>ersonal</b> rk the box				-				,	ich (	of tl	ıe		
1.		Ge	nde	er		ΠМ	ale	□ Fe	emale											
2.	Ag	ge gi	rou	p:	□ 15	5-21	□ 22-31	□ 32	-45		45-60			60 +						
3.		eekl ,000	-		•	Arn or m	nenian D nore	rams ):	□ 8,0	000-15	,000,	<b>1</b>	6,000	- 25,0	000		l 26,	000	)_	
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					8.	The	Yerevan olish an e					-			s to					
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	centers.		
	10. Yerevan administrative districts should be encouraged		
	by law to work together, share information and		
	experience, and test new ways of providing		
	public/municipal services at lower costs		
	11.A new law on local self-government should be passed		
	_		
	giving councils more freedom to offer new business incentives to attract new firms, investment and jobs into		
	their districts, respectively		
	12. Establishment of a more sophisticated and improved		
	waste management system will significantly reduce the		
	level of pollution in Yerevan and is in accordance with		
	the needs of local population.		
	13. A new law on local self-government should increase the		
	level of cooperation between neighboring districts on		
	planning various issues in the interests of their local		
	residents (pollution, public transport networks, traffic or		
	major new retail parks)		
	14. Adoption of a new neighborhood development plan		
	would allow communities to have a say in many major		
	issues, such as while discussing the most appropriate		
	place for new houses, businesses and shops and their		
	design.		
	15. A new transport plan should be adopted by Yerevan		
	municipality in accordance with local transportation		
	challenges and opportunities.		
	16. A new law on local self-government should specify the		
	procedure of providing social housing and provide local		
	districts with the authority to set their own policies		
	about who should qualify for social housing in their area		
	17. Local communities should be given the right to		
	challenge the level and quality of services provided by		
	their district authorities.		
	18. Ordinary citizens should be given the opportunity to		
	share their ideas on how to run the local community in a		
	more efficient way.		
	19. Yerevan municipality is ready and has the capacity to		
	implement the aforementioned provisions.		

## ANNEX 3

### **INTERVIEW DESCRIPTORS**

Interviewee 1

Interview Descriptors	1	2	3	4	5
Yerevan Municipality's ability to manage the city without Central government control	V				
and oversight					
V	./				
Yerevan Municipality's willingness to pass reforms to establish an effective planning	V				
and reporting system					
Yerevan administrative district authorities' ability to assume direct responsibility for	V				
	V				
providing public services					
Yerevan Municipality's enthusiasm in passing a new law on local self-government to					
increase the level of cooperation between neighboring district authorities					
increase the level of cooperation between neighboring district authorities					
Yerevan administrative districts' willingness to engage local residents more actively in			V		
local government affairs					

#### Interviewee 2

Interview Descriptors	1	2	3	4	5
Yerevan Municipality's ability to manage the city without Central government control					
and oversight					
Yerevan Municipality's willingness to pass reforms to establish an effective planning			V		
and reporting system					
Yerevan administrative district authorities' ability to assume direct responsibility for		1			
providing public services					
Vargyan Myniginality's anthygiaam in pagging a new law on local self gayamment to				V	
Yerevan Municipality's enthusiasm in passing a new law on local self-government to				٧	
increase the level of cooperation between neighboring district authorities					
Yerevan administrative districts' willingness to engage local residents more actively in				1	
local government affairs					

#### Interviewee 3

Interview Descriptors	1	2	3	4	5
Yerevan Municipality's ability to manage the city without Central government control					
and oversight					
Yerevan Municipality's willingness to pass reforms to establish an effective planning			1		
and reporting system					
Yerevan administrative district authorities' ability to assume direct responsibility for	<b>V</b>				
providing public services					
Yerevan Municipality's enthusiasm in passing a new law on local self-government to					$\checkmark$
increase the level of cooperation between neighboring district authorities					
Yerevan administrative districts' willingness to engage local residents more actively in					V
local government affairs					
			1		

#### Interviewee 4

Interview Descriptors	1	2	3	4	5
Yerevan Municipality's ability to manage the city without Central government control		$\sqrt{}$			
and oversight					
Yerevan Municipality's willingness to pass reforms to establish an effective planning					<b>√</b>
and reporting system					
Yerevan administrative district authorities' ability to assume direct responsibility for				<b>V</b>	
providing public services					
Yerevan Municipality's enthusiasm in passing a new law on local self-government to				<b>V</b>	
increase the level of cooperation between neighboring district authorities					
Yerevan administrative districts' willingness to engage local residents more actively in				<b>V</b>	
local government affairs					

#### Interviewee 5

Interview Descriptors	1	2	3	4	5
	,				
Yerevan Municipality's ability to manage the city without Central government control	1				
and oversight					
Yerevan Municipality's willingness to pass reforms to establish an effective planning					<b>V</b>
and reporting system					
Yerevan administrative district authorities' ability to assume direct responsibility for					<b>√</b>
providing public services					
Yerevan Municipality's enthusiasm in passing a new law on local self-government to				1	
increase the level of cooperation between neighboring district authorities					
Yerevan administrative districts' willingness to engage local residents more actively in					<b>V</b>
local government affairs					