

Decentralization at the Center of Local Governments Management Stakes. Case Study: The Municipality of Annaba

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Abstract;

The aim of this article is to provide theoretical and empirical reflections to enhance our understanding of decentralization. To achieve this, we conducted a survey through a questionnaire at the level of the municipality of Annaba after reviewing all the necessary theoretical concepts related to the principle of decentralization. The analysis of the collected data using SPSS software allowed us to confirm the establishment of decentralization mechanisms. However, shortcomings in the exercise of participatory democracy principles were identified, which could affect local governance. Additionally, we found that decentralization has a significant impact on local development in the municipality of Annaba. But, at the same time, the proposed model reveals an inverse relationship, indicating that in this specific region, decentralization is relatively hindering local development.

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1. Introduction

« One can govern from a distance, but administration must be conducted up close » (Borner-Kaydel, 2016, p. 10). Indeed, Shah Anwar (2006) suggest that the closer a representative government is to its citizens, the better it is able to mitigate the issues arising from central government planning and to contribute to the country's social and economic development. This refers to effective decentralization tailored to local needs and benefiting from citizen participation.

Moreover, there can be no free administration of local governments without an initial intent for decentralization from the unitary state. Decentralization is directly related to the state's willingness to delegate some of its administrative competencies to local governments. Once the state has carried out this delegation, local governments are then free to self-administer. Therefore, if there is decentralization, there is necessarily free administration of local governments. (Dantonel-Cor, 2020)

As for the Algerian state, it continues to play the role of the central actor in development, given its revenue from hydrocarbon exports, which bolsters its position as a driving force. However, this situation, based on dependence on a single, transient source under state dominance, has led to structural failures and underperformance of the economy, including the marginalization of the local economy. Therefore, the state has tried to address this challenge by engaging in reforms since 1989, aimed at transforming its role into that of a regulator and thereby decentralizing decision-making power to the concerned local governments.

1.1 Research Problem:

To better illustrate the decentralization process in Algeria, we conducted our research on the following problem:

In the context of a decentralized unitary state, what are the main stakes characterizing the management of local governments in the municipality of Annaba?

Hence, the following secondary questions:

- Is the municipality of Annaba managed administratively in a decentralized context?
- Does the municipality of Annaba exercise the principles of participatory democracy in favour of local governance?
- Does the decentralization have an impact on the local development in the municipality of Annaba?

1.2 Hypotheses

H1: The mechanisms of decentralization in the municipality of Annaba are established.

H2: The municipality of Annaba exercises the principles of participatory democracy in favour of local governance.

H3: Decentralization has an impact on local development in the municipality of Annaba.

1.3 Methodology

The methodology used to verify the aforementioned hypotheses is based on an approach combining descriptive and analytical aspects. Initially, an in-depth literature review was conducted to gather the necessary information. Complementing this research, a survey based on a questionnaire was conducted to examine the hypotheses of our study in detail. This two-pronged approach provides a comprehensive and relevant understanding of our research topic.

1.4. Previous Studies

The first previous study was conducted by Hatem Dabbih (2016), titled: "The Decentralization Process and Local Development in Algeria: Challenges and Perspectives", *Revue de l'enseignant chercheur des études juridiques et politiques*, n°. 01.

In this article, the author attempted to describe the decentralization process by focusing on the reform of the relationships between the State and Local Authorities through a revision of the municipal code and the wilaya code, as well as the implementation of local development projects within the framework of a comprehensive sustainable development strategy. In his conclusion, the author pointed out potential obstacles to this process at the level of local authorities and a certain overlap in the roles of the State and local authorities, while highlighting the absence of real citizen participation as a central element of local development.

The second previous study was conducted by Kahina Moussaoui and Khelloudja Arab (2014), titled: "The Role of Local Authorities in Local Development in the Era of Reforms in Algeria: The Case of the Municipalities of Bejaia", *Economie et Solidarité*, vol. 44, n°. (1-2).

The third previous study was conducted by Moulai Kamel & Agharmiou-Rahmoun Naima (2021), titled: "Decentralization and the Nature of the State in Algeria: Some Structuring Elements", *Revue Scientifique Avenir économique*, vol. 44, n°. 09.

These two studies are complementary, as they both focused on examining the impact of the current stage of decentralization on local development. Upon concluding their research, they emphasized the importance of economic diversification and the exploitation of local resources. As a result, decentralization is seen as one of the factors that can revitalize this diversification.

Compared to the aforementioned studies, our research stands out primarily through its practical approach, which aims to measure the relationship between decentralization, with its key strengths and pillars, and local development.

2. Theoretical Basis of the Research

2.1 The Concept of Decentralization

The successive failures of centralized states, the aspirations for local democracy and development, and the poverty resulting from regional disparities are all factors calling for a new adaptation of public services towards the establishment of effective decentralization. In its most basic definition, decentralization consists of transferring powers from the central government to local authorities (Greffé, 2005). Furthermore, it refers to the policies of delegating state competencies to local governments or public organizations so that they have financial autonomy and legal authority. The transfer of these competencies, which remain under state supervision, allows the state to relieve its central administrations and entrust responsibilities to the most appropriate level, namely the local level (Kouadria, 2017, p. 3). Moreover, the World Bank defines decentralization as: « *The transfer of responsibilities and decision-making authority in public functions from the central government to intermediate or local administrations or to quasi-autonomous public entities and/or the private sector* » (DDC, 2017, p. 4).

From the late 1960s to the mid-1970s (DDC, 2017, p. 2), a consensus emerged recognizing that an excess of centralization was considered a regrettable policy, and efforts were made to establish better collaboration between national, regional, and local decision-making centres. Consequently, several governments embarked on reforms aimed at transferring resources, responsibilities, and authorities from the central level to the lowest levels of local government. This period is regarded as « *the first wave of decentralization* ».

In the European Union, decentralization has characterized the institutional aspect of its members, and this phenomenon has continued to expand. Indeed, Belgium, the Netherlands, France, Spain, Italy, and Sweden have implemented significant decentralization policies, not to mention the governments that have emphasized their own federal structures, such as Austria, Germany, etc. (Greffé, 2005).

In Africa, overall, decentralization has been externally imposed, linked to the dual imperative of structural adjustment, democratization and good governance following the end of the Cold War.

In Latin America, the primary driver of decentralization emerged from the need to transition the political system from military dictatorship to democracy.

In Eastern Europe and the former Soviet Union, decentralization was part of the process of political and economic transformation from a socialist system to a market economy.

In the 1990s, a second wave of reforms emerged with the goal of promoting a new model of decentralization based on four key elements: (DDC, 2017, p. 4)

- **Local democracy:** the transfer of powers to elected local authorities who enjoy relative autonomy;
- **Local governance:** based on civil society participation and downward accountability;

- **Local development:** including the provision of decentralized services for the most vulnerable communities;
- And the **modernization of public services.**

2.2 The Principles of Decentralization

Decentralization as a process involves a set of principles whose consideration is essential for the realization and success of this process, namely: subsidiarity, financial autonomy, free administration, solidarity and cooperation.

2.2.1 Subsidiarity

An element is considered subsidiary when it complements another more significant element or action. Regarding the principle of subsidiarity, it generally refers to the idea that the power to act should be as close as possible to those affected. In other words, higher authority should delegate minor matters to lower-ranking authorities (Vulbeau, 2010, p. 85). According to the DDC (2017), the principle of subsidiarity stipulates that task should be performed by the lowest authority in the hierarchy. In general, subsidiarity reflects the idea that the central authority should have a subsidiary function, performing only those tasks that cannot be effectively carried out at a lower or local level.

2.2.2 Financial autonomy

Local financial autonomy is a complex and evolving concept distinguished by several dimensions: economic, political, and legal, and it takes various forms: budgetary autonomy, general autonomy, management autonomy, and fiscal autonomy (Olivia, 2017). It exists within a bipolar framework, meaning it is neither purely assimilated to the financial regime of state representatives nor completely free from state control.

Moreover, it seems impossible to envisage true local governments, managed by elected councils, without any financial competencies or own financial resources. Such local governments would, in reality, be mere extensions of the state or administrative divisions. Similarly, a state without finances, where all financial operations fall under local governments, would be useless (Lalumière, 1983, p. 153). Table 1 thus illustrates the own resources of local governments according to the nature of the financial resource.

Table 1. Local Governments' Own Resources

Tax revenues	Local taxes, for example: property taxes, business tax, council tax, transfer duties, and tax on the removal of household refuse. State taxes, for example: shares of Internal Consumption Tax on Energy Products, and the tax on insurance contracts
Non-tax revenues	Fees for services rendered - products of the estate - Urban development contributions - Financial products - gifts and bequests

Source: (Thoumlou, 2016, p. 53)

2.2.3 Free Administration

The study of the principle of free administration of local governments raises the question of the effectiveness of its protection. Indeed, this principle does not have a precise and determined legal definition (Borner-Kaydel, 2016, p. 11). However, one can say that a local authority is freely administered if it is independent in the decisions and programs it implements and no longer requires the green light from the central authority (Dafflon & Gilbert, 2018, p. 10) . Prior authorization is therefore no longer a requirement for performing its functions, (Labiadh, 2017, p. 170) and in this case, central leader may only concern the legal aspect of the decision, thus playing the role of a supervisor or controller.

2.2.4 Principle of Solidarity and Cooperation

Accepting that local government obtain decision-making autonomy over their expenditures and receive corresponding own revenues also means accepting that the distribution of expenditures can vary from one local government to another, leading to disparities. Therefore, it is necessary to re-evaluate the sharing of the tax base and also consider resource equalization. In fact, there are times when small-sized local government are unable to manage a particular task on their own; they may, in such cases, collaborate with each other to provide services rather than transferring them to the region (Dafflon & Gilbert, 2018).

2.3 The Interplay of Local Governance, Participatory Democracy, and Local Development in the Context of Decentralization

A decentralized management system focused on governance and participatory democracy is one in which local political leaders are regularly elected within a free and fair electoral system. Indeed, local democracy is often perceived through the lens of representative democracy, which implies a dominance relationship between local representatives and the citizens (Mazet, 1999). The election of local leaders alone does not necessarily guarantee democratic local governance. Therefore, it is necessary to establish other mechanisms to promote democracy at the local level, such as offering citizens the opportunity to participate in local governance issues between elections.

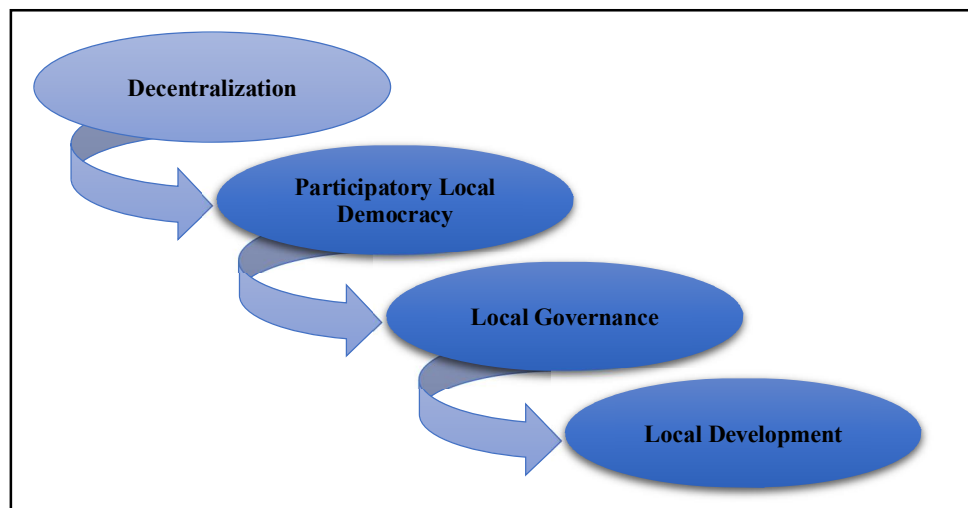
This participatory democracy is important in several ways. For example, it can strengthen the relationships between citizens and the state and serve as an effective mechanism for monitoring the use of administrative authority. Thus, participation through the inclusion and empowerment of citizens should be an underlying principle in decision-making, implementation, and monitoring of local affairs. Participatory democracy is more about involvement through various tools, such as consultation, co-decision, participatory budget voting, or neighbourhood committees. Moreover, it is represented as a concept of effective citizen participation, where citizens should receive complete, timely, and easily accessible public information on budgets (resource allocation), purchases, and local spending programs (Chigwata & Ziswa, 2018, p. 8) .

Secondly, thanks to decentralization, the local level of governance gains increasing importance as a platform for access to the political system, thus becoming a major field in the struggle for political

empowerment and in facilitating service delivery (Commission Européenne, 2007, p. 91). Good governance is also essential for achieving development and poverty reduction objectives, as it relates to the state's capacity to serve all its citizens impartially. As essential elements of good governance, decentralization, public administration reform, and local participatory democracy are therefore crucial to achieving this goal.

From what we have outlined above, it can be concluded that democracy, good governance, and decentralization are closely linked. These concepts are all based on the need to eliminate inequalities related to various circumstances (socio-economic class, rural/urban areas, race, gender, age, etc.) and to promote equality in terms of participation, access, and control in all spheres. We can therefore deduce that decentralization is a means of promoting a more democratic and participatory society, requiring the adoption of local governance principles to successfully implement local development projects. The following figure clearly illustrates the relationship of interdependence and complementarity that exists between all these elements.

Fig.1. The Relationship Between Decentralization, Participatory Local Democracy, Local Governance, and Local Development



Source: Authors' research

The issue of development in general, and local development in particular, has undergone a paradigm shift in recent years, particularly with the integration of the role of local authorities in economic growth and development. Indeed, following the widespread adoption of decentralization as an essential and necessary administrative reform, researchers and public officials quickly realized that it grants local authorities a leading role in the local development of their communities. Furthermore, this awareness has encouraged the emergence of new forms of participatory local governance, involving more citizens and local stakeholders in decision-making processes to ensure a more inclusive and sustainable development.

3. Methodology: Practical Application in the Municipality of Annaba

3.1 Population and Sample of the study

In order to confirm or refute the hypotheses of our study, we developed a questionnaire specifically for a sample represented by local officials and elected representatives who are exclusively part of a very particular population, namely: the municipality of Annaba. Thus, the choice of respondents was not random, as the issue being addressed in this research is very sensitive and demands increasing attention.

It should be noted that a considerable portion of the study sample refused to participate for various reasons, the primary one being their lack of knowledge on the study subject. This already can explain a significant divergence between the researchers' theoretical perspectives and the operational realities of practitioners.

3.2 Study Questionnaire:

The study questionnaire consists of 4 sections, as follows:

Section 1: comprised of 5 items addressing the socio-demographic and firmographic information of the respondents.

Section 2: comprised of 9 items dealing with the first dimension, « State of Decentralization ».

Section 3: comprised of 10 items addressing the second dimension, « Governance and Participatory Democracy at the Local Level ».

Section 4: comprised of 10 items covering the third dimension, « Reality of Local Development in the Municipality of Annaba ».

The measurement scale used for these dimensions was a Likert-type scale, consisting of five evaluation points, ranging from 1 to 5:

"1" for: "Strongly Disagree"

"2" for: "Somewhat Disagree"

"3" for: "Neither Agree nor Disagree"

"4" for: "Somewhat Agree"

"5" for: "Strongly Agree"

During the months of March, April, and May 2024, more than 100 questionnaires were distributed in the municipality of Annaba. However, only 50 viable and compliant questionnaires were recovered, which were then used for analysis with the SPSS v22 data analysis software.

4. Results and Discussion

4.1. Normality test

According to the central limit theorem by Pierre-Simon de Laplace (1810), a sufficiently large sample size ($n > 30$) ensures that the sample mean's distribution is approximately normal. Since our sample size is sufficiently large ($n = 50$, which is greater than 30), we can infer that this distribution approximates a normal distribution.

4.2 Analysis of the Reliability of the Measurement Instrument

To verify the reliability of the measurement instrument, we need to calculate the internal consistency coefficient, known as « Cronbach's Alpha » which is generally regarded as « acceptable » from 0,7 (George & Mallery, 2008).

Table 2. Results of the Cronbach's Alpha Coefficient

Variables	Number of items	Cronbach's Alpha on standardized items	Degree of stability of the scale
State of Decentralization	9	0,708	70,8%
Participatory Democracy and Local Governance at the Local Level	10	0,958	95,8%
Reality of Local Development in the Municipality of Annaba	10	0,816	81,6%
Total	29	0,842	84,2%

Source: Authors' results obtained from SPSSv22 software

The results of the Cronbach's Alpha Coefficient can be explained as follows:

The Alpha Cronbach coefficient is 0,708 for the first variable which means that the items are sufficiently consistent, 0,958 for the second variable which means that the items are highly consistent, and 0,816 for the third and the last variable which indicates that the scale is very reliable.

Finally, the overall Cronbach's Alpha coefficient is 0,842, which indicates that the measurement scale used for the whole questionnaire has a good internal consistency. So, the scale is very reliable and none of the items will be deleted or changed.

4.3 Analysis of Sociodemographic and firmographic Data

The sociodemographic and firmographic characteristics presented in Table 3 are the control variables selected for this study, which include: gender, age, level of study, function, and finally, experience.

Table 3. Sociodemographic and firmographic Data

Variables	Categories	Frequency (n)	Proportion (%)
Gender	Male	32	64,0
	Female	18	36,0
Age	20 to 30 years old	7	14,0
	31 to 40 years old	17	34,0
	41 to 50 years old	11	22,0
	More than 50 years old	15	30,0
Level of study	Elementary	0	0
	Middle school	4	8,0
	High-school	25	50,0
	College/University	21	42,0
Function	Public officer	13	26,0
	Senior public officer	17	34,0
	Local elected representative	20	40,0
Experience	Less than one year	3	6,0
	From 1 to 5 years	14	28,0
	From 6 to 10 years	24	48,0
	More than 10 years	9	18,0

Source: Authors' results obtained from SPSSv22 software

From Table 3, It can be observed that the majority of participants are men (64%) compared to women (36%). Regarding the « age » variable, there is a relatively equal distribution of participants across different age categories, with the largest group being those aged between 31 and 40 years old (34%). For the « level of study » variable, most participants have a high school diploma (50%) or a college degree (42%), with only 4 participants having a middle school level degree. when it comes to the « function » variable, there is a relatively uniform distribution across the three categories (13 public officers, 17 senior public officials, and 20 local elected representatives). Finally, as for the « experience » variable, the majority of participants have between 6 and 10 years of experience (48%), also (28%) and (18%) of the participants have respectively 1 to 5 years of experience, and more than 10 years of experience, while the smallest group is participants with less than one year of experience (6%).

4.4 Analysis of Descriptive Statistics

Table 4. Descriptive Statistics of Dimension 1: State of Decentralization

N°	Item	Mean	Std. Deviation	Rank	Level of Agreement
I1	Local officials have a clear understanding of decentralization laws and regulations	3,7200	0,83397	4	Strong
I2	Local officials regularly make independent decisions	3,7600	0,62466	2	Strong
I3	Local officials frequently consult the population to make important decisions	3,7200	0,83397	5	Strong
I4	The municipality has qualified personnel to manage local affairs	3,6800	0,71257	6	Strong

I5	Local officials have a clear vision for local development	3,6200	0,75295	7	Strong
I6	Local officials have a project monitoring and evaluation system in place	3,1800	0,91896	8	Moderate
I7	Local officials work in collaboration with regional and central authorities	3,7200	0,57286	3	Strong
I8	Local officials are capable of autonomously solving local problems	2,7400	0,94351	9	Moderate
I9	Local officials have a transparent system for managing public resources	3,8000	0,60609	1	Strong
Total Mean		3,5489			
Total Std. Deviation		0,41961			
Total Coefficient of Variation (CV%)		11,82%			
Rank of Dimension 1		1			

Source: Authors' results obtained from SPSSv22 software

Based on the data from Table 4, it is observed that the overall mean for Dimension 1: « State of Decentralization » is 3,5489, indicating that respondents tend to be neutral or slightly agree with the statements presented (showing a moderate level of agreement with the items). Moreover, a standard deviation of 0,41961 and a coefficient of variation of 11,82% indicate low variability in the responses. Additionally, the rank of the dimension highlights that decentralisation is considered the most important among the three.

Thus, the items with the highest means, respectively: I9 (3,8000), I2 (3,7600), I7 (3,7200), I1 (3,7200), I3 (3,7200), I4 (3,6800), and I5 (3,6200), indicating a high level of agreement.

As for the remaining items with lower means, namely: I6 (3,1800) and I8 (2,7400), they show a moderate level of agreement.

Table 5. Descriptive Statistics of Dimension 2: Participatory Democracy and Local Governance at the Local Level

N°	Item	Mean	Std. Deviation	Rank	Level of Agreement
I1	Citizens of the municipality have the opportunity to actively participate in local decision-making.	2,8000	0,88063	6	Moderate
I2	Citizens of the municipality are regularly consulted during local decision-making processes.	2,9200	1,00691	2	Moderate
I3	The municipality provides spaces for dialogue and exchange between local representatives and citizens.	2,6600	0,91718	9	Moderate
I4	Citizens of the municipality have easy access to information and documents related to local decisions.	2,8200	0,82536	4	Moderate
I5	Local decisions in the municipality are made considering citizens' preferences.	2,5800	0,85928	10	Moderate

I6	Local representatives in the municipality regularly organize public meetings to discuss local issues.	2,7600	0,91607	8	Moderate
I7	Local representatives have established procedures to ensure civil society participation in public finance management.	2,8000	0,90351	7	Moderate
I8	Local representatives use public consultation mechanisms to develop and execute the budget.	2,8400	0,86567	3	Moderate
I9	Citizens of the municipality have confidence in local representatives and their ability to manage local affairs.	2,8000	0,88063	5	Moderate
I10	Participatory democracy has enabled better coordination between citizens' needs and local representatives' projects.	2,9400	0,93481	1	Moderate
Total Mean		2,7920			
Total Std. Deviation		0,76608			
Total Coefficient of Variation (CV%)		27,43 %			
Rank of Dimension 2		2			

Source: Authors' results obtained from SPSSv22 software

From the table 5, it is observed that the overall mean for the Dimension 2: « Participatory Democracy and Local Governance at the Local Level » is 2,7920, indicating that respondents tend to be neutral or slightly agree with the statements presented (showing a moderate level of agreement with the items). Moreover, a standard deviation of 0,76608 and a coefficient of variation of 27,43% indicate moderate variability in the responses.

Concerning the rank of the dimension, it indicates that participatory democracy is considered to be of moderate importance compared to other dimensions.

In detail, the items with the highest means: I10 (2,9400), I2 (2,9200), I8 (2,8400), I4 (2,8200), I9 (2,8000), I1 (2,8000), and I7 (2,8000), show a moderate level of agreement. Similarly, a generally moderate level of agreement is observed for the rest of the items, specifically: I6 (2,7600), I3 (2,6600), and I5 (2,5800).

Table 6. Descriptive Statistics of Dimension 3: Reality of Local Development in the Municipality of Annaba

N°	Item	Mean	Std. Deviation	Rank	Level of Agreement
I1	The municipality's infrastructure is adequate to support economic development.	2,0800	0,52838	10	Low
I2	Public services (education, healthcare, etc.) in the municipality effectively meet the needs of local citizens.	2,3800	0,87808	5	Low
I3	Local initiatives for sustainable development in the municipality are sufficient.	2,4000	0,63888	4	Low

I4	The municipality offers enough employment opportunities for young people and new graduates.	2,3000	0,73540	8	Low
I5	The policies adopted by the municipality promote the creation and support of small businesses.	2,5200	0,86284	2	Low
I6	Urban development projects improve the quality of life in the municipality.	2,3400	0,84781	7	Low
I7	Waste management and cleanliness in the municipality are well handled by local authorities.	2,4400	0,81215	3	Low
I8	Residents of the municipality actively participate in decisions regarding local development.	2,3600	0,94242	6	Low
I9	Local authorities ensure the effective management of the municipality's natural resources.	2,5600	0,86094	1	Low
I10	Local authorities have sufficient budgetary authority to fund local projects.	2,0800	0,48823	9	Low
Total Mean		2,3460			
Total Std. Deviation		0,47475			
Total Coefficient of Variation (CV%)		20,23%			
Rank of Dimension 3		3			

Source: Authors' results obtained from SPSSv22 software

Finally, Dimension 3: « Reality of Local Development in the Municipality of Annaba », with an overall mean of 2,3460, indicates that respondents tend to disagree with the statements presented (showing a low level of agreement with the items). Moreover, a standard deviation of 0,47475 and a coefficient of variation of 20,23% indicate moderate variability in the responses within this dimension. The rank of 3 suggests this last dimension is the least valued among the three.

Regarding the items with the highest means: I9 (2,5600), I5 (2,5200), I7 (2,4400), and I3 (2,4000), they reflect a low level of agreement. Similarly, a generally low level of agreement is observed for the rest of the items, specifically: I2 (2,3800), I8 (2,3600), I6 (2,3400), I4 (2,3000), I10 (2,0800), and I1 (2,0800).

4.5 Hypothesis Testing

To test the first and second hypotheses of our research, we used a one-sample T-test. Regarding the third hypothesis, we employed a simple linear regression test to examine the relationship between decentralization and local development. All the hypotheses will be tested at a significance level of ($\alpha \leq 0,05$).

Hypothesis 1: The mechanisms of decentralization in the municipality of Annaba are established

H0: The mechanisms of decentralization in the municipality of Annaba are not established, at a significance level of ($\alpha \leq 0,05$).

H1: The mechanisms of decentralization in the municipality of Annaba are established, at a significance level of ($\alpha \leq 0,05$).

Table 7. One-sample T-test result (Hypothesis 1)

	T	Df	Sig
Dimension 1 : State of Decentralization	9,250	49	0,000
Critical t-value = 1,678			

Source: Authors' results obtained from SPSSv22 software

According to the data in Table 7, the calculated T value (9,250) is greater than its theoretical value (1,678) obtained from the Student's t-table at the 0,05 (5%) significance level with 49 degrees of freedom, and the p value (Sig) is 0,000, which is less than 0,05. Therefore, we reject the null hypothesis and accept the alternative hypothesis, which suggests that the mechanisms of decentralization in the municipality of Annaba are effective and well-implemented.

Hypothesis 2: The municipality of Annaba exercises the principles of participatory democracy in favour of local governance.

H0: The municipality of Annaba does not exercise the principles of participatory democracy in favour of local governance, at a significance level of ($\alpha \leq 0,05$).

H1: The municipality of Annaba exercises the principles of participatory democracy in favour of local governance, at a significance level of ($\alpha \leq 0,05$).

Table 8. One-sample T-test result (Hypothesis 2)

	T	Df	Sig
Dimension 2 : Participatory Democracy and Local Governance at the Local Level	-1,625	49	0,061
Critical t-value = 1,678			

Source: Authors' results obtained from SPSSv22 software

According to the data in the above table, the calculated T value ($|-1,625|$) is less than its theoretical value (1,678), also obtained from the Student's t-table at the 0,05 (5%) significance level with 49 degrees of freedom, and the p value (Sig) is 0,061, which is greater than 0,05. Therefore, we reject the alternative hypothesis and accept the null hypothesis, indicating that the municipality of Annaba does not exercise the principles of participatory democracy in favour of local governance.

Hypothesis 3: Decentralization has a significant impact on the local development in the municipality of Annaba.

H0: Decentralization does not have a significant impact on the local development in the municipality of Annaba, at a significance level of ($\alpha \leq 0,05$).

H1: Decentralization has a significant impact on the local development in the municipality of Annaba, at a significance level of ($\alpha \leq 0,05$).

Table 9. ANOVA Test Results

ANOVA					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	1,135	1	1,135	5,497	0,023
Residual	9,909	48	0,206		
Total	11,044	49			

Source: Authors' results obtained from SPSSv22 software

The ANOVA table above shows an F value of ($F = 5,497$) and a significance level of ($Sig = 0,023$), which is less than 0,05. This indicates that the simple linear regression model is relevant and there is a significant relationship between decentralization mechanisms and local development in the municipality of Annaba.

Table 10. Coefficient tables results

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	Coefficient B	Std. Error	Beta		
Constant	3,633	0,553	-	6,573	000
Decentralization	-0,363	,155	-0,321	,345	0,023

Source: Authors' results obtained from SPSSv22 software

The T-value is ($T = 6,573$) with a significance level of ($Sig = 0,000$), which is less than 0,05, indicating that this coefficient is statistically significant. As a result, decentralization has an impact on local development in the municipality of Annaba.

However, the coefficient of the decentralization is negative ($B = -0,363$), indicating an inverse relationship between the model's variables. This means that, according to this specific model, an increase of one unit in the decentralization mechanisms can lead to a decrease or a deterioration in the local development in this region by 0,363 units.

Table 11. Simple linear regression model

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	0,321	0,103	0,084	0.45436
Y = -0,363X + 3,633 X: Decentralization, Y: Local Development				

Source: Authors' results obtained from SPSSv22 software

The correlation coefficient ($R = 0,321$) indicates a moderate relationship between the two variables, and with a determination coefficient ($R^2 = 0,103$), it is observed that only 10,3% of the variations in local development are explained by the variations in decentralization mechanisms.

Based on the results obtained, we can reject the null hypothesis and state that decentralization has a significant impact on local development in the municipality of Annaba. However, this influence is not only moderate but also negative.

5. CONCLUSION

In light of the theoretical findings, decentralization plays a dynamic role through various dimensions, the most fundamental of which is a better consideration of local preferences and the direct involvement of local actors in managing affairs that concern them; this, in turn, contributes to better management of local resources.

From our empirical study, we were able to confirm hypothesis H1, which suggested that the mechanisms of decentralization in the municipality of Annaba are well-implemented. This reflects a political will and commitment by central authorities to delegate powers and responsibilities to local levels. However, hypothesis H2, which posited that the municipality of Annaba exercises the principles of participatory democracy in favour of local governance, was refuted. This finding indicates that there are gaps in the practice of participatory democracy principles, which can potentially affect local governance. The factors at play include the lack of political will and robust commitment from local elected representatives, as well as a lack of knowledge about civic rights, responsibilities, and the benefits of democratic participation, which may make citizens less inclined to actively participate in democratic processes.

We have ultimately confirmed hypothesis H3, which posited that decentralization has a significant impact on local development in the municipality of Annaba. However, the proposed model reveals an inverse relationship and explains only a small portion of the total variance of the dependent variable, namely local development. Therefore, although the relationship is statistically significant, the mechanisms of decentralization appear to negatively affect local development in the municipality, albeit in a relatively modest way. Thus, affirming the presence of several other factors that contribute to the improvement of local development, in particular: good governance, modernization of public services, community engagement, and/or genuine and effective administrative and financial decentralization.

In practice, despite the implementation of decentralization mechanisms in the municipality, respondents to the questionnaire reported a lack of effectiveness and efficiency of these mechanisms. This has hindered the region's local development, making it understandable that decentralization is now seen more as an obstacle than a promising factor for local development. As a consequence, it is important to evaluate how decentralization is implemented, reinforcing it with the necessary material and immaterial resources, enhancing coordination between different levels of government, and improving the skills of local officials so that they can adapt to new local challenges in administrative, legal, and institutional aspects.

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