A Comparative Study of the Role of Integrated Urban Management in Local Economic Development: A Case Study of Iran and South Africa

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Abstract
Today, on one hand, the need for "integrated urban management" to manage urban public affairs has become increasingly clear, given the spatial and demographic growth and the complexity of the issues and challenges of cities. On the other hand, one of the holistic approaches to urban planning to tackle current urban problems, especially in large cities, is the participatory approach of "Local Economic Development" (LED). Both integrated urban management strategies and the development of the local economy are presented as comprehensive and consistent models for the economic development of urban, regional and local environments. Therefore, the present study aims at a comparative study of the role of integrated urban management in the development of local economy. In the first step, indicators and components related to both approaches are extracted and then analyzed and selected in the study areas of the present study, namely, Iran and South Africa. This research is an analytical-descriptive study in terms of purpose, application and methodology, and its data collection was based on the study of library and documentary sources and their content analysis. The results of the study in both Iran and South Africa show that Iran has a leadership focus compared to South Africa on some areas of integrated urban management, such as coordination between the executive activities of city affairs agencies. The meta-organization has major weaknesses in organizing the dispersal of city affairs management, reporting the organization's performance to its citizens, the existence of trusts among the managers of the municipal affairs agencies, as well as the solidarity between the trustees of the urban affairs. Unfortunately, there are also problems with the development of the local economy in terms of creating economically productive programs, as well as providing daily urban services for low-income people. It can, therefore, be concluded that the local government and urban management systems, especially in the countries under study, have influenced the development of the local economy, in different ways, with the exception of the mechanisms and decisions related to the local economy in Africa. The South is largely responsible for local management tasks and functions, while in Iran it is usually not one of the main tasks of local management and is mostly in the area of macro management.

Keyword: Local Economic Development, Integrated Urban Management, Comparative Study of Iran and South Africa

Introduction
Comparative analysis plays a central role in comparative social science research, and it is one of the oldest methods available in social science studies. By applying this approach, we seek to understand the similarities and differences between social phenomena in converging and diverging cultures and nations, by comparing common phenomena among societies to compare and contrast deeply understood human social behaviors and practices around the world. To identify the increasing complexity of urban issues, especially in large cities, requires a holistic approach. Accordingly, in recent decades, discussions on urban units or cells within neighborhoods have resulted in different approaches to neighborhood development. Parallel processes of globalization, urbanization and decentralization not only gave local communities greater independence in designing and implementing their own development strategies, but also enhanced the capacity and empowerment of local actors, leading to a greater emphasis on local participation and the sustainability of development strategies, all over the world) Rodriguez-Pose, 2013:304(4. With the inefficiency of expert urban development plans and prescriptives, ineffective managers and planners have increasingly focused on low levels of urban living and utilizing local community capacity. In the current process of urban development planning and management, the use of participatory strategies and bottom-up planning approaches have gradually become the consensus of planners. One of the bottom-up and participatory planning approaches is the local economic development approach (Kannad & Raisipour, 2015:2). The Local Economic Development Program (LED) was first developed and implemented in Germany in 1960 for economic purposes. Based on the results of this program and the research carried out by

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various institutions around the world, it was reviewed and revised over the next decade by international organizations including the International Labor Organization (ILO) and the World Bank. International organizations and bodies involved in development planning, as well as various urban and regional development planning approaches and systems, such as urban and regional integrated plans, theories of social disadvantages and failures, and integrated development techniques. LEDs have been proposed as a comprehensive and consistent model for the economic development of urban, regional and local environments, since the early 60s (Peshizkar et al., 2015). The development of the local economy in urban management has been and remains one of the most important ways of poverty alleviation in many developing countries. In fact, the national government is policing and providing municipalities with the necessary financial resources, research and support to develop the local economy, and municipalities decide on how to implement and manage strategies to ultimately identify problems, prioritize development projects and create cross-regional development corridors, leading to more opportunities for more people, especially the poor, to make money. Such a strategy promotes local ownership, community participation and local leadership, promotes local resources and skills and enhances development opportunities, by incorporating diverse economic plans with a holistic approach to local development. Developing such a strategy requires municipalities to achieve an accurate analysis of the city’s current situation, explore growth opportunities, and select the best strategies to achieve their goals. In addition to the infrastructure measures required for business development, paying attention to areas where urban development has a comparative advantage over other cities leads to increased GDP and consequently increased per capita income. The present study seeks to comparatively study the integrated urban management strategies and local economic development by examining the indices and components associated with each of these two variables in both Iran and South Africa.

2. Research Methodology
The research method used in this study is analytical-descriptive and its purpose is a comparative study of the role of integrated urban management in the development of local economy. The purpose of such a method was to provide comprehensive information on issues such as urban management, integrated urban management, and local economic development in the theoretical part of the research by studying library and documentary sources. After the analysis, the criteria for integrated urban management and local economic development were extracted. Finally, by compiling the obtained data and analyzing its content, a comparative study of integrated urban management and its impact on local economy development in the sample countries was conducted. In sum, the research process is shown in Figure 1.

3. Theoretical Foundations
3.1 Integrated Urban Management
In recent years, in the scientific circles of the country, dealing with the issues and problems of urban management, the concept of integrated or coordinated urban management has been raised. Also, the enactment of Article 136 of the Third Development Plan Act, Article 137 of the Fourth Development Plan Act and Article 173 of the Fifth Development Plan Act has made the concept of urban unit more comprehensive (Kazemian & Mirabedini, 2011). Integrated and coordinated urban management with centrality, municipality and related institutions (both public and private) under local council oversight and policymaking is the general model of municipal responsibilities. Without this unity and inter-organizational coordination, the efficiency of the set of measures and resources devoted to the management of city affairs and its development are seriously questioned. In this context, the spatial and functional integrity of municipal and urban management for the control of the entire urban space is essential for all aspects of urban life (Kazemian & Saeedi Rezvani, 1381:16). Integrated urban management means adopting a holistic approach and designing mechanisms to follow the aforementioned approach in city management (Saeedi, 2010:131). In fact, integrated urban management is a decentralized, power-based, integrated multilateral solution based on the model of urban governance (Kazemian, 2013). Overall, integrated urban management and integrated urban governance, both theoretically and practically, indicate that the planning and management system will not be able to integrate the multiplicity of phenomena in urban areas. The diversity of elements and dimensions of urban life, on the one hand, and ineffective decision-makers and policy-makers in the construction of the city and guiding its development, on the other hand, pose a great potential threat to integrated planning and management of this phenomenon (Berkpour & Asadi, 2009: 56).

4. The Concept of Urban Management with an Emphasis on Integrity from the Experts' Perspectives
Churchill (1985, p) agrees with the idea of an increasing complexity, the word city management is moving towards a richer and more advanced meaning. It no longer means only systems of control but a set of behavioral communications, a process that through it, the numerous activities of the residents interact with each other and with the city government. Emphasizing the idea of increasing complexity, he argues that urban management is not just about controlling the city system...
but also about the behavioral and process relationships of countless activists and the interactions of residents with each other, with the government and with the city administrators. Baker (1989) argues that because of the simple response of sectoral structures to the rapidly growing complex nature of cities, urban management needs to have a broader view of issues. Stern (1993) considers urban management as a multifaceted concept that is not definable; what matters is that he considers urban management as a coherent and integrated concept, which makes urban issues imperative in developing countries. Stern believes that any intervention in the urban management system should take place in a holistic and integrated approach. The urban study approach and urban policymaking should reflect the diversity of cities. Shabir Jima (1998) believes that the most important task of urban management is to respond effectively to the problems and issues of the city and to strengthen the capacity of government agencies and other actors to empower them to perform their duties in the city management process. According to Rakoudi (2001), the goal of urban management is to manage the components of the urban system in such a way that enable the system to function day-to-day and to provide a platform for all types of economic activities to enable residents to meet their basic needs including housing, goods, services and public and income-generating opportunities. Chakrabarty (2001) argues that by adopting an integrated management approach with flexible principles and taking into account the uncertainty and dynamics of the urban environment, justice can be achieved in resolving the complex benefits of multiple stakeholders.

4.1 Criteria and Indicators of Integrated Urban Management from the Scholars' Viewpoints
A considerable number of external and internal scholars and researchers have focused on the topic of “integrated urban management” and have listed its related criteria and indicators, which are discussed in Table 1.

4.2 Local Economic Development (LED)
Local economic development is about local activities that make the market perform better. The purpose is not to change or replace markets, but to focus on market failure and high transaction costs. The development of the local economy is about creating a favorable framework for jobs (Meyer-Stamer, 2000:1). In fact, its main idea is to calculate the risk associated with performing different jobs and to ensure that the market is working properly for those jobs (FCM, 2012: 15-24). This approach is an optimistic and innovative effort to reduce urban poverty and strengthen democracy (Houlihan, 2009: 4). In fact, the development of the local economy is aimed at strengthening the economic capacity of the city and improving its future economic conditions and the quality of life for all residents of the city (FCM, 2012: 15-24). The local economic development approach is a bottom-up approach compared to traditional top-down approaches. The popularity of the LED approach to development has increased significantly over the past two decades, which has been the basis of the failure of top-down development strategies. Local economic development strategies are increasingly being considered as an alternative to or complementary to traditional strategies (Rodriguez-Pose, 2012: 303). The development of the local economy depends on the partnership of business sector, the interests of the local community and the city government. LED is usually strategically planned by the local government and implemented by the public and private sectors according to their capabilities and strengths (Swinburn et al., 2004: 1).

4.3 Development of Local Economy from the Experts' Viewpoints
According to Blake (1994), the development of the local economy is defined as a process in which partnerships are created between local community governments, civil society groups, and the private sector to manage the resources available to create jobs and activate the traditional regional economy. The development of the local economy emphasizes local control, the use of human resources and natural, physical and institutional resources in the region (HELMSING, 2003: 260). McCormick (1999) argues that the main task of developing a local economy is to develop the basic economy of a place or region. The basis of the local economy refers to activities that include exporting the products and services outside the region, other parts of the country or abroad. Other local economic activities mainly supply the local market, so demands depend on local economic growth, which involves the geographical concentration of one or more local producers (clusters) (HELMSING, 2003: 260).

4.4 Criteria and Indicators of Local Economic Development
Key factors affecting the development of the local economy are: 1. Stakeholder involvement in the economic development process; 2. Creating a deep sense of ownership, control, and empowerment among local stakeholders; 3. Creating and supporting facilitating institutions; 4. Capacity building; 5. Combination of economic growth strategy and institutional capacity building; 6. A comprehensive understanding of local coordinates (weaknesses, strengths, opportunities and threats) (Rodriguez-Pose & Palavicini-Corona, 2013).

5. Conceptual Model of Research
In order to determine the conceptual model of the research, first and foremost the most important indicators of the integrated urban management were identified and reviewed by the relevant experts and
organizations. The key principles and factors of local economic development were then identified and defined by the various theorists. The components obtained as the dependent variables of the two independent variables, Integrated Urban Management and Local Economic Development, form the main framework of the present study, which is shown in Figure 2.

6. Research Findings

After identifying and reviewing the main components and criteria of the two variables of integrated urban management and the development of the local economy, it is now time to compare them in the selected study areas, namely Iran and South Africa:

6.1 The Structure of the Integrated Urban Management System and the Development of the Local Economy in South Africa

According to the South African constitution, the government is divided into three levels: national, provincial and local levels. Although each of these levels has its own tasks and responsibilities, they all share the same goals. Pursuant to the “Establishment of Local Authorities” Act of 2009, local agencies were required to be created in three stages: In the first stage, the members of the Provisional Councils were elected and the municipal affairs were administered by them until the municipal elections. The second phase, which begins with the municipal elections, will continue until the new system of local government administration is adopted and laws are passed. In the final phase, the new system of local administration will be implemented. South Africa’s first democratic elections were held locally this year, and new laws on the local institutions were adopted this year. South Africa’s economy has a special duality. On the one hand, it has many of the indicators of developing countries on the level of advanced industrial economies. On the other hand, its financial, legal, communications, energy and transportation sectors are well developed and its stock market ranks 18th in the world. South Africa’s transportation infrastructure is advanced and caters to domestic and regional needs, with Johannesburg Airport serving as South Africa’s hub for flights. The South African government is committed to a free market economy, privatization and the provision of favorable investment conditions. Major urban development frameworks in South Africa, which have been developed in local areas such as the Central Business District (CDS), have been the focus of attention in recent years, mainly in assessing citizens’ personal applications in the field of urban development as well as in directing fixed investments in urban development. Trains, buses, cars, and domestic airlines are some of the vehicles you can use to travel around South Africa. The intercity train which also has good facilities is very affordable and inexpensive. The bus fleet also offers convenient services and is also available. South Africa’s experiences focusing on the poor and supporting them in local economic development planning are distinctive. Planning for the development of the local economy in South Africa is the basis for achieving some of the sustainable development goals. LED strategies to be supported include: community-based economic development, human capital development, communications, infrastructures and utilities, penetration and connectivity to the local economy, preservation and expansion of local economic activities. Overall, with regard to the urban management system and the development of the local economy of South Africa, it can be argued that the legitimacy, sovereignty and authority of the system are of the people, the urban managers are highly independent and the management is accountable to the people. System development occurs naturally through coordination between the central government and local government, and there is an interrelationship between the city body, city management and urban society, in which there is an open economy and massive investments. The dynamic system of the city is dominated by economic development and a sustainable development approach. Local level economic development programs focus on the interconnectedness of different areas of the city through the transportation system and the level of public participation in city affairs. The issue of access to housing and the provision of urban daily services to citizens is planned on a regular basis.

6.2 The Structure of Integrated Urban Management System and Local Economic Development in Iran

New urban management in Iran goes back to the post-constitutional era. After the victory of the Islamic Revolution, due to the radical changes in the political system of the country and based on the efforts to increase the participation and involvement of the people in the administration of city affairs and the policy of decentralization in the public administration and the necessity of entrusting local affairs to the local people, at the various state, provincial, urban and rural levels, the constitution was emphasized. The structure of government in Iran has given rise to the widespread dominance in city affairs. The public sector (large-level) organization that manages urban affairs includes several ministries and organizations. The semi-public sector (municipalities) does not have an independent function and only the public sector is the city council, and the private sector has no active or indirect involvement in urban management. Various models of urban management have been experienced in the history of Iran in the past, for example, in the municipal law of 1331 AH, in the field of municipal organization, the model of the council. The director of the city has been taken into consideration and the law of the municipality approved in 1334 AH has been based on the model of the city administration and the model of the council - the
director of the city. Finally, according to the law passed in 1977, the council elections were held in 1999 and the councils began to function. During this period, the model chosen for running the city affairs was the same as the model of councilor-mayor, which, like the previous rules, refers to the elected mayor. Urban management in municipal governments is a form of local organization, not an independent local government. The urban management in Iran is divided into three levels: macro, regional and local. Over time (from 1286 to 1998) the involvement of national (macro level) and regional (micro level) levels of management in the small dimensions of urban management has been declining and has been active in policy and planning, respectively. Accordingly, the level of specialization in urban management at the local level is increasing. The municipality as the most important element of management (the most important executive body of urban management of Iran) is essential for achieving the goals of urban development and is formed on the basis of meeting common needs. But in some countries, including Iran, municipalities form a very limited and specific section of city management, so the city administration in this situation is very far from the "comprehensive urban management" and even the presence of a select number of people's representatives. City councils cannot bring municipalities to the level of comprehensive urban management. The reasons for the failure of the councils in the cities are the lack of legal mechanisms for the implementation of the councils' decisions in the country, the lack of clarity in the official structure of the country, the lack of support and financial resources for the councils, the lack of specialist municipal services in the Islamic councils, which is actually a weakening path paved by the councils. Local economic development strategies and plans vary in different urban areas of Iran. For example, the economic opportunities and potentials of the Sanglaj neighborhood in Tehran include: 1. Using neighborhood business opportunities in Tehran for market occupants and market support activities; 2. The potential of production in workshops of the neighborhood for the economic self-sufficiency of the residents of the neighborhood (shoemaking and goldsmithing workshops); 3. Utilizing neighborhood tourism opportunities to increase the economic viability of neighborhood residents and increase the sustainable income for neighborhood management; 4. Possibility of creating exhibitions to present the products of gold and shoemaking workshops to increase the income of the local residents. The factors of economic sustainability of Gholhak neighborhood in Tehran include: 1. Full solidarity and participation of different groups of actors in the development of the neighborhood in a bottom-up process, following a culture of progressive citizenship; 2. Having proper pedestrian and bicycle access to various services within the neighborhood; 3. Ensuring a sustainable neighborhood and trans-neighborhood public transport; 4. Enjoying the green and leisure spaces along with other services needed, and redefining the physical division system in order to provide a balanced distribution of services and opportunities; 5. Creating spaces with a functional business identity as an efficient part of the city's economic system; 6. Creating a neighborhood with equal opportunities for all age groups; 7. Creating a neighborhood with green infrastructure. Overall, in terms of urban management and the development of local economy, it can be said that integrated urban management in Iran is accompanied by criticisms and disadvantages that can be described as: Deficiencies in Iran's urban management model and the necessity of separating municipal political management from professional management, limitations in the tasks of the urban management bodies, the uniformity of the city administration model across the cities, the failure of the oversight mechanism, the fragmentation of city administration between different executive systems, parallelism, reduplication of and interference with executive functions (organizational conflict and capital loss). In Iran, management is accountable to top officials, and management values and trends are influenced by the government and the political context. Coordination is done through central government and urban managers do not have much authority and independence. The economic indicators of cities are low, private sector investment is limited and bureaucracy is high. The thinking system in the city and in economic development is static and is based on a comprehensive planning approach. Lack of attention to the local level is evident in economic development programs, and public participation in city affairs is low. The issue of access to housing is a challenge in the country's executive programs and the provision of day-to-day urban services, proper access to terminals and urban and suburban transport face some problems, in general, and there is not a major strategy taken by the urban management.

6.3 Integrative and Comparative Analysis

Table 3
Table 1. Urban Integrated Management Criteria and Indicators from the Perspectives of Scholars (Source: Authors)

<table>
<thead>
<tr>
<th>Researchers</th>
<th>Integrated Urban Management Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Turner and Bart</strong></td>
<td>1. Government accountability in its actions, 2. Government legitimacy and competence for formulating appropriate policy, proper decision making, effective implementation of decisions and service delivery, 3. Legislation.</td>
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<td>(Ramsersdick, 2000)</td>
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<td>(Meta, 1998)</td>
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<td>(UNDP, 2000)</td>
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<td>(2016)</td>
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Figure 1. Research Structure (Source: Authors)
Table 2. Principles and Factors of Local Economic Development (Source: UN-Habitat, 2005: 19-27)

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<tr>
<th>Principles</th>
<th>Main Factors</th>
<th>Criteria</th>
</tr>
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<tbody>
<tr>
<td>Creating favorable local agents</td>
<td>Qualities that make your location a good place to do business include infrastructure improvements (providing essential facilities, public buildings, transportation), worker training, intellectual business and local management performance.</td>
<td>Local leadership</td>
</tr>
<tr>
<td>Promoting and encouraging the business</td>
<td>Including existing jobs, encouraging new businesses, starting foreign companies in the neighborhood, and encouraging people to stay in the neighborhood, for business and investment, whether for residential or leisure purposes. At the same time, the development of the local economy should not lead to unequal competition for existing jobs.</td>
<td>Creating a sense of empowerment among stakeholders</td>
</tr>
<tr>
<td>Helping local markets' function</td>
<td>It means creating places and opportunities that match supply and demand, while at the same time discovering and promoting new job opportunities, training the workforce, ensuring the health of the labor market, improving the performance of businesses, and investing to develop existing jobs.</td>
<td>Access to utilities</td>
</tr>
<tr>
<td>Better use of locally available resources</td>
<td>Using experienced local business owners and executives to guide entrepreneurs instead of relying on consultants and experts as well as maximizing the potential of diverse people and conversations in neighborhood collective activities.</td>
<td>Subsistence</td>
</tr>
</tbody>
</table>

Figure 2. The Conceptual Model of Research (Source: Authors)
7. Conclusion

Today, the need for "integrated urban management" to manage urban public affairs has become increasingly clear as the physical-spatial and demographic growth and the complexity of the issues and challenges of cities are increasing. Integration, which has recently been applied to a wide range of public and private organizations and institutions and can be extended to various management disciplines such as policy, planning, oversight and even implementation, is a response to the widespread range of activities and effects of organizational/managerial practices and the resulting divisions. On the other hand, "Local Economic Development", as a solution to the problems of current urban affairs, is a bottom-up participatory and planning approach that has attracted the attention of city managers and planners. Implementing LED-based strategies for local economies can significantly improve economic indicators such as poverty, employment, empowerment, and income. The experiences of the various countries that have implemented this development model illustrate the capabilities of this model, but the mere implementation of this strategy without considering the internal potentials and characteristics of each region would be a waste of resources. Therefore, it is necessary to develop an indigenous model in each country based on its economic, social, political and cultural characteristics, taking into account the main components of this strategy. The contrastive comparison of integrated urban management indicators and the local economic development between the countries of Iran and South Africa, is based on the five criteria of coordination, responsibility and accountability, citizens and local government interactions, cohesion and unity of command, and transparency, and 4 criteria of local leadership, creating a sense of empowerment among stakeholders, access to utilities and livelihood. It is suggested that the implementation of each of these criteria in both countries will be based on different economic, social, political and cultural characteristics. In South Africa, however, the establishment of a single urban management system, along with the coherence and integrity of the programs, have encouraged the achievement of the macro and ultimate goals of local economic development plans. Based on the comparative analysis of the criteria and indicators obtained in the studied territories, it can be concluded that the country of Iran compared to South Africa has major weaknesses in some areas of integrated urban management such as coordination between administrative activities, city affairs trustees, the existence of an interagency leadership center to organize the dispersal of city affairs
management, reporting on the performance of the organization to citizens, the existence of solidarity between managers of municipal affairs agencies, as well as the existence of solidarity among urban affairs agencies. Unfortunately, there are also problems with the development of the local economy in terms of creating economically productive programs, as well as providing daily urban services for low-income people. Overall, although the urban management systems in the countries under study are substantially different in terms of legal and functional structure, but generally, an examination of the urban planning and management system of the countries of Iran and South Africa shows that in both countries, the development of the local economy has been addressed in a variety of ways through integrated urban management plans, strategies and practices. Empowering stakeholders in the neighborhood, educating people, providing the necessary employment opportunities, improving urban areas to attract investment, improving urban and suburban transportation, and formulating a vision of the city's economic future are considered as the key indicators in relation to the development of the local economy in both Iran and South Africa. It can, therefore, be concluded that local government and urban management systems, especially in the countries under study, have influenced the development of the local economy, in different ways, with the exception that the mechanisms and decision-makings related to the local economy sector in South Africa are mainly the task of local management authority, while in Iran, is usually not one of the main tasks of local management and is mainly related to the macroeconomic management. Reforming the laws and regulations governing the planning and restructuring system, along with making changes to the content of the planning, can well identify and resolve the shortcomings and difficulties existing in the country in terms of decisions related to urban management and the local economy. Chart 1 summarizes the status of the two sample countries according to the criteria.

References
Africa Programme on Business Development Services and Local Economic Development (BDS/LED).