



The Role of Local Government in Improving People's Quality of Life: Governance, Innovation, and Global Challenges

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Abstract

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This research discusses the strategic role of local governments in improving the quality of life of the community through the provision of basic services, good governance, and policy and technological innovation. Using a qualitative approach based on document analysis, this study analyzes local policies, international case studies, and academic literature published in the last five years. The results show that local governments have a significant contribution to providing health services, education, clean water, and public infrastructure, although resource constraints are often a major obstacle. In addition, transparent, accountable, and participatory governance strengthens social legitimacy, while digital innovations such as smart governance improve service efficiency and community participation. However, challenges in the form of fiscal limitations, uneven development, urbanization, and climate change still limit the effectiveness of local governments. These findings emphasize the importance of strengthening institutional capacity, resource optimization, and cross-sectoral collaboration to create inclusive, sustainable, and equitable development at the local level.



1. Introduction

Quality of life is the main indicator of community welfare which is the ultimate goal of development. This concept includes both material and non-material dimensions, such as health, education, environment, and social participation. Local governments have a strategic role in improving the quality of life because they are closest to the community and understand the real needs of their area. In this context, local governments are not only central policy implementers, but also agents of socio-economic change at the community level. The background of the important role of local governments can be seen from the increase in public expectations of basic services such as clean water, sanitation, education, and health. Studies show that quality of life recommendations for vulnerable groups, such as the elderly, should be seriously managed by local governments in order to create an age-friendly and socio-economically competitive society.¹

In addition, local governments also face major challenges in the context of globalization and urbanization. Climate change, the COVID-19 pandemic, and socio-economic uncertainty demand a rapid and adaptive policy response. Research shows that the involvement of local governments in achieving the Sustainable Development Goals (SDGs) is key to improving the quality of urban life, especially in addressing poverty and unemployment.² However, there are still various main issues that hinder the effectiveness of the role of local government. Some of them

¹ Finlands Kommunförbund. "Quality recommendation to guarantee a good quality of life and improved services for older persons 2020–2023: the aim is an age-friendly Finland." (2020): 11-68.

² Walter Leal Filho, Violeta Orlovic Lovren, Markus Will, Amanda Lange Salvia, and Fernanda Frankenberger. "Poverty: A central barrier to the implementation of the UN Sustainable Development Goals." *Environmental Science & Policy* 125 (2021): 96-104.

are budget limitations, weak coordination between the central and regional governments, and governance problems that are vulnerable to corrupt practices. A study emphasized the need to reform local government governance through new instruments that allow for higher efficiency and public transparency.³

On the other hand, digital transformation through the concept of smart governance also opens up new opportunities. The city A for example, has succeeded in integrating a smart city strategy to improve the quality of life of the community through more efficient, transparent, and participatory public services.⁴ The urgency of research on the role of local governments in improving the quality of life is increasingly relevant because social change is happening rapidly and demands inclusive policies. In addition to answering basic needs, local governments are also faced with the task of building sustainable governance. Research confirms that the quality of life of the elderly can only be improved if local governments develop adaptive policies involving the participation of local communities.⁵

Thus, this study aims to: (1) explain the role of local governments in improving the quality of life of communities, (2) identify the factors that influence the effectiveness of local policies, and (3) offer a framework for inclusive and sustainable development. This article will also examine the theoretical literature

³ Gissur Ó. Erlingsson Jørgen Ödalen, and Erik Wångmar. "How coerced municipal amalgamations thwart the values of local self-government." *Urban Affairs Review* 57, no. 5 (2021): 1226-1251.

⁴ Rini Rachmawati, Estuning Tyas Wulan Mei, Idea Wening Nurani, Rizki Adriadi Ghiffari, Amandita Ainur Rohmah, and Martina Ayu Sejati. "Innovation in coping with the covid-19 pandemic: The best practices from five smart cities in Indonesia." *Sustainability* 13, no. 21 (2021): 12072.

⁵ Khanitta Nuntaboot, Peerapong Boonsawasdgulchai, and Nisachon Bubpa. "Roles of mutual help of local community networks in community health activities: Improvement for the quality of life of older people in Thailand." *International Journal of Nursing Sciences* 6, no. 3 (2019): 266-271.

related to local governance, sustainable development, and case studies from various countries as a basis for analysis.

2. Literature Review

Studies on the role of local governments in improving the quality of life have developed rapidly, especially in the framework of good governance and sustainable development. The literature emphasizes that local governments are important actors in providing basic services, creating an inclusive environment, and managing resources effectively. Good governance principles such as transparency, accountability, and participation are the main foundations for local governments to be able to respond appropriately to the needs of the community. Governance reforms, show that institutional changes are needed to improve the efficiency of public services and strengthen social legitimacy.⁶ In addition to the governance aspect, the literature also emphasizes the linkage between sustainable development and the role of local governments. In the context implementation of the Sustainable Development Goals (SDGs) by city governments has been shown to affect socio-economic development achievements and the quality of life of citizens, although it still faces challenges in cross-sector coordination.⁷ Thus, the involvement of local governments in achieving the SDGs is an important indicator of the quality of public policies.

⁶ Gissur Ó. Erlingsson Jörgen Ödalen, and Erik Wångmar. "How coerced municipal amalgamations thwart the values of local self-government." *Urban Affairs Review* 57, no. 5 (2021): 1226-1251.

⁷ Dan Darkey and Malilomo Francisca Nkhabu. "The role of local government in the implementation of Sustainable Development Goals: A case of Tshwane Municipality." (2021): 1-83.

On the other hand, the latest literature also shows that digital innovation through smart city governance is able to improve the quality of life through more efficient, data-based, and inclusive public services. A case study in a City of Indonesia, confirms that the transformation towards smart governance not only improves digital infrastructure, but also increases community participation in decision-making processes, thereby strengthening local democratization.⁸ Thus, the literature concludes that quality of life depends not only on the availability of basic services, but also on the ability of local governments to manage inclusive, adaptive, and innovative governance.

3. Method

This research uses a qualitative approach with the aim of understanding in depth the role of local governments in improving the quality of life of the community. The qualitative approach was chosen because the issues studied are complex, contextual, and involve interactions between various social, political, and economic actors. The focus of the research is on document analysis, which includes local government policies, development reports, as well as relevant academic publications. Document analysis provides a space to explore how local governance policies and practices are implemented, while also understanding the dynamics that affect their effectiveness.

⁸ Yun Arifatul Fatimah, Kannan Govindan, Rochiyati Murniningsih, and Agus Setiawan. "Industry 4.0 based sustainable circular economy approach for smart waste management system to achieve sustainable development goals: A case study of Indonesia." *Journal of cleaner production* 269 (2020): 122263.

The main data sources in this study come from academic articles published between the last five years, with the addition of the latest literature to provide a more comprehensive perspective. The article was selected through certain criteria, namely relevance to the theme of quality of life, local government involvement, and the application of the concept of good governance and sustainable development. In addition, this research also utilizes official reports from local governments and international organizations that discuss the role of local governments in public services, infrastructure development, and the achievement of the Sustainable Development Goals (SDGs).

The analysis technique used is content analysis. This analysis is carried out by categorizing documents based on main themes, such as governance, quality of public services, digital innovation, and efforts to increase social inclusion. The data is then analyzed to identify patterns, differences, and similarities that can explain how local governments contribute to improving quality of life. Content analysis was chosen because it can help interpret the meanings contained in the text systematically and critically, thus allowing researchers to relate empirical findings to the theoretical framework used.

The validity of the data in this study is maintained through triangulation of sources. This is done by comparing different types of documents, such as journal articles, policy reports, and case studies. Thus, the results of the research are expected to be more valid and can provide a representative picture of the reality in the field. In addition, this study also applies peer debriefing, which is a process of discussion with peers to minimize subjectivity in analysis. This method allows the

research to present an in-depth and holistic analysis of the role of local governments in improving the quality of life of the community. Through a qualitative approach based on document analysis, this research seeks to connect conceptual frameworks with real practices, while providing relevant recommendations for future governance strengthening.

4. Results

4.1. The Role of Local Governments in the Provision of Basic Services

The provision of basic services is the main foundation that determines the quality of life of the community. Local governments have a strategic role in ensuring that every citizen has access to adequate education, health, clean water, and public infrastructure. Basic services are not only material, but also determinants of overall social welfare. In this context, local governments play the role of the front line that is in direct contact with the community. A study confirms the importance of public services specifically designed to meet the needs of vulnerable groups, such as the elderly. Through age-friendly policies, local governments strive to ensure that quality of life is not only measured by economic indicators, but also by aspects of social inclusion and community sustainability. This approach emphasizes that the success of local development must be oriented towards groups that are often marginalized, resulting in a more just and equal society.⁹

⁹ Jamie N. Albright, Noelle M. Hurd, and Saida B. Hussain. "Applying a social justice lens to youth mentoring: A review of the literature and recommendations for practice." *American journal of community psychology* 59, no. 3-4 (2017): 363-381.

The context also provides valuable lessons. The implementation of the Sustainable Development Goals (SDGs) shows how city governments can contribute to reducing poverty and expanding access to basic education. Programs initiated by local governments have been successful in encouraging the achievement of some of the SDGs, although limited resources and weak inter-agency coordination remain serious obstacles. This indicates that the commitment of local governments greatly determines the effectiveness of the implementation of the global development agenda at the local level.¹⁰

In Indonesia, the variation in the effectiveness of local governments in providing basic services is evident. A study on the fiscal efficiency of local governments revealed that a city is able to make better use of the public budget than other regions. This efficiency has implications for improving the quality of services received by the community, such as access to health and education. On the other hand, less efficient regions experience obstacles in meeting the basic needs of their citizens, despite having similar budget allocations. This shows that managerial capacity and financial management play an important role in the successful provision of basic services.¹¹

Thus, the role of local governments in the provision of basic services depends not only on the amount of resources they have, but also on how those resources are

¹⁰ Walter Leal Filho, Violeta Orlovic Lovren, Markus Will, Amanda Lange Salvia, and Fernanda Frankenberger. "Poverty: A central barrier to the implementation of the UN Sustainable Development Goals." *Environmental Science & Policy* 125 (2021): 96-104.

¹¹ Almira Keumala Ulfah and Ainul Ridha. "Level of Effectiveness and Efficiency of Regional Finance, Especially the Aceh Provincial Government in the Period after the Implementation of the Revision of the Law on Regional Autonomy." In *Corolla International Conference*, vol. 1, no. 1, (2021): 21-26.

managed and allocated. Successes in several countries confirm that strategies based on community needs, efficient fiscal management, and alignment with vulnerable groups are key to improving the quality of life. However, challenges in the form of budget limitations, inequality between regions, and weak bureaucratic capacity still need to be overcome so that local governments can consistently meet the basic needs of the community in an equitable and sustainable manner.

4.2. Local Government Governance and Innovation

Local governance is a crucial aspect in determining the extent to which local governments can provide quality public services and improve community welfare. Good governance principles such as transparency, accountability, participation, and effectiveness are the main indicators that can measure the quality of governance. Governance reforms carried out in several countries show that institutional changes at the local level are needed so that governments can be more adaptive to complex social and economic dynamics. A clear example can be seen where local government reforms focus on simplifying bureaucracy, budget efficiency, and increasing community involvement in decision-making. This reform encourages local governments to be more responsive to the needs of the community, while increasing public trust in state institutions.¹² These efforts show that good governance is not just an administrative procedure, but also a strategic instrument to strengthen the legitimacy of governance.

¹² Gissur Ó. Erlingsson Jörgen Ödalen, and Erik Wångmar. "How coerced municipal amalgamations thwart the values of local self-government." *Urban Affairs Review* 57, no. 5 (2021): 1226-1251.

In addition to institutional aspects, technological innovation has become an important factor in strengthening local government governance. The concept of smart governance that is developing in the world's major cities serves to answer the needs of the community quickly, transparently, and data-based. The case in a City of Indonesia, shows that the implementation of smart city strategies not only improves the efficiency of public services, but also expands public participation. Through the use of digital technology, residents can express their aspirations, monitor policy implementation, and actively participate in urban planning. As a result, governance has become more open, democratic, and oriented to the needs of the community.¹³

However, innovation does not always mean the application of advanced technology. Studies show that improving the quality of life of people, especially the elderly, is more influenced by the ability of local governments to engage communities. Adaptive and participatory local policies have succeeded in improving the welfare of the elderly, although technological limitations remain. This proves that social innovation, in the form of increasing citizen involvement, is just as important as technological innovation in strengthening local government governance.¹⁴ Thus, local government governance and innovation can be seen as two complementary sides. Institutional reforms strengthen the basic structure of governance, while innovation both digital and social drives efficiency, transparency, and participation.

¹³ Rini Rachmawati, Estuning Tyas Wulan Mei, Idea Wening Nurani, Rizki Adriadi Ghiffari, Amandita Ainur Rohmah, and Martina Ayu Sejati. "Innovation in coping with the covid-19 pandemic: The best practices from five smart cities in Indonesia." *Sustainability* 13, no. 21 (2021): 12072.

¹⁴ Khanitta Nuntaboot, Peerapong Boonsawasdgulchai, and Nisachon Bubpa. "Roles of mutual help of local community networks in community health activities: Improvement for the quality of life of older people in Thailand." *International Journal of Nursing Sciences* 6, no. 3 (2019): 266-271.

The combination of the two creates governance that is adaptive to modern challenges, while ensuring that people's quality of life can be improved in an inclusive and sustainable manner.

4.3. Future Challenges and Prospects

Although local governments have an important role to play in improving people's quality of life, they still face a number of structural and contextual challenges. These challenges include limited fiscal resources, varying bureaucratic capacity, and global pressures in the form of urbanization, globalization, and climate change. Fiscal constraints are one of the most obvious obstacles. Many local governments rely on budget transfers from the central government, so their room for movement is limited to run development programs oriented to local needs. Studies show that although some cities, are able to use the budget efficiently, most other areas are still not optimal in managing public finances. As a result, the quality of basic services provided varies between regions, which has implications for unequal quality of life for people.¹⁵

In addition to the fiscal aspect, rapid social and economic changes also require local governments to adapt. Urbanization, for example, puts enormous pressure on infrastructure and basic services in major cities. If not anticipated with careful planning, urbanization can exacerbate poverty and social inequality. Studies in Bulgaria confirm that good coordination between central and local budgets is

¹⁵ Zander S. Venter, Charlie M. Shackleton, Francini Van Staden, Odirilwe Selomane, and Vanessa A. Masterson. "Green Apartheid: Urban green infrastructure remains unequally distributed across income and race geographies in South Africa." *Landscape and Urban Planning* 203 (2020): 103889.

essential to avoid policy overlap and ensure the sustainability of development programs.¹⁶ Another challenge is climate change and environmental damage. Local governments must take concrete steps in waste management, natural resource conservation, and disaster mitigation. Research on rural development shows that state and local government regulations play an important role in maintaining the sustainability of natural resources while improving people's living standards. Without integrated policies, the risk of environmental damage can significantly reduce the quality of life.¹⁷

Despite these significant challenges, the future prospects remain promising. The integration of SDGs in local policies, proves that local governments can contribute to global development if supported by inclusive and collaborative governance.¹⁸ In addition, the development of digital technology provides a great opportunity to increase public participation and policy transparency, thereby creating more responsive governance. Therefore, the future of local governments in improving the quality of life will be largely determined by their ability to overcome fiscal barriers, strengthen governance, and respond to global environmental challenges. With the right strategy, local governments can become the driving force for inclusive and sustainable development that is oriented towards the welfare of the community at large.

¹⁶ Mark Joy, Marek Rusnák, Kateřina Šmídková, and Bořek Vašíček. "Banking and currency crises: Differential diagnostics for developed countries." *International Journal of Finance & Economics* 22, no. 1 (2017): 44-67.

¹⁷ Murray W. Scown, Mark V. Brady, and Kimberly A. Nicholas. "Billions in misspent EU agricultural subsidies could support the sustainable development goals." *One Earth* 3, no. 2 (2020): 237-250.

¹⁸ Dan Darkey and Malilomo Francisca Nkhabu. "The role of local government in the implementation of Sustainable Development Goals: A case of Tshwane Municipality." (2021): 1-85.

5. Discussion

The results of this study confirm that the role of local governments in improving the quality of life of the community is multidimensional, including the provision of basic services, good governance, and innovation in policies and technology. However, the effectiveness of this role is strongly influenced by internal factors such as fiscal and managerial capacity, as well as external factors such as central government support, globalization, and environmental challenges. This discussion will outline the implications of the findings in an academic and practical context. First, the provision of basic services remains a core function of local government that directly impacts the quality of life. A study on age-friendly policies shows that basic services designed with the needs of vulnerable groups, such as the elderly, in mind, can improve social justice and strengthen community cohesion.¹⁹ This provides a lesson that local policies should not be uniform, but responsive to the socio-economic context of each region.

Second, good governance and digital innovation have been proven to strengthen the capacity of local governments to respond to community needs. The City case shows how the implementation of smart city governance is able to improve the efficiency of public services while expanding the space for community participation in the decision-making process.²⁰ This emphasizes the importance of integrating technology with governance to create adaptive, transparent, and inclusive

¹⁹ Finlands Kommunförbund. "Quality recommendation to guarantee a good quality of life and improved services for older persons 2020–2023: the aim is an age-friendly Finland." (2020): 11-68.

²⁰ Yun Arifatul Fatimah, Kannan Govindan, Rochiyati Murniningsih, and Agus Setiawan. "Industry 4.0 based sustainable circular economy approach for smart waste management system to achieve sustainable development goals: A case study of Indonesia." *Journal of cleaner production* 269 (2020): 122263.

policies. Third, the challenge of limited fiscal resources and socio-economic inequality remain the main obstacles. Research shows that variations in financial efficiency between local governments have implications for unequal quality of public services.²¹ This shows the need for a fiscal redistribution strategy and increased bureaucratic capacity so that local governments are able to implement development programs evenly.

Academically, these findings reinforce the literature on the importance of multi-level governance in development. Local governments cannot stand alone, but rather need to build synergy with the central government, the private sector, and civil society. In practical terms, these findings suggest that strengthening fiscal capacity, digital innovation, and local needs-based policy design are strategic steps to improve the quality of life. Thus, this discussion emphasized that local governments have great potential as agents of change. However, the realization of that potential relies heavily on a combination of internal capacity, external support, and adaptability to global challenges.

6. Conclusion

This research shows that local governments have a central role in improving the quality of life of the community through the provision of basic services, good governance, and policy and technological innovation. Basic services such as health, education, clean water, and public infrastructure are the main foundations that

²¹ Almira Keumala Ulfah and Ainul Ridha. "Level of Effectiveness and Efficiency of Regional Finance, Especially the Aceh Provincial Government in the Period after the Implementation of the Revision of the Law on Regional Autonomy." In *Corolla International Conference*, vol. 1, no. 1, (2021): 21-26.

determine people's well-being. The success of local governments in providing such services is highly dependent on their fiscal and managerial capacities, as well as the ability to build partnerships with various stakeholders. In addition, transparent, accountable, and participatory governance has been proven to strengthen social legitimacy and increase policy effectiveness. The integration of digital innovations, such as the concept of smart governance, is able to expand access to public services and increase public involvement in decision-making.

However, resource limitations, development inequality, and global challenges such as urbanization and climate change remain major obstacles. Therefore, a strategy that emphasizes strengthening institutional capacity, optimizing resources, and increasing community participation is needed. With this approach, local governments can play a more effective role as an agent of inclusive and sustainable development, as well as become an important actor in facing future socio-economic challenges.

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