

A MODEL FOR ACHIEVING SUSTAINABLE DEVELOPMENT GOALS (SDGs) BY ESTABLISHING FUND RAISING LOCAL GOVERNMENT ENTERPRISES (LGEs)

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ABSTRACT

This article attempts to identify the scope of setting Local Government Enterprises (LGEs) to strengthen the ministry of finance in providing necessary financial support to all ministries and their departments especially the Ministry of Local Government in setting 17 points SDGs by 2030. The secondary data analysis and primary qualitative data reveal that there is no consistency between national SDGs plans at the ministry of planning, election manifesto of the winning political organization, and SDGs oriented plans at the decentralized local government. It is found that there are 17 departments under the related ministries which has been transferred to the local government at rural and urban levels. They can play an important role in achieving 17 points SDGs. But lack of centrally designed SDGs oriented local plans and programs, strong financial and infrastructural support, measuring performance and enough central controlling, they are not performing well toward SDGs by 2030. In this context, a conceptual model has been developed based on literature review data and FGDs data to define the problem and its solution. Government of the developing and underdeveloped countries can use the model in setting revenue earning Local Government Enterprises (LGEs) under strong skilled private style marketing management system by setting a separate department of the Ministry of Finance to provide strong financial support to the local government including other ministerial departments in designing and executing 17 points SDGs oriented central and local plans and programs. A government can enjoy dual benefits by establishing this world new concept based Local Government Enterprises (LGEs); (1) economic and infrastructural development, and (2) Social development in touch of 17 points SDGs. Thus, offering SDGs oriented package of election manifesto (both national and local plans) of the winning political organization, handed it over to the ministry of planning and ministry of finance to assign related ministries specially the ministry of local government as the unified process of planning, implementing, and controlling can achieve the SDGs under the strong financial support by setting Local Government Enterprises (LGEs) under the ministry of finance.

Keywords: Local Government Enterprises (LGEs), SDGs, Employment, Central planning, Financing

INTRODUCTION

The Sustainable Development Goals (SDGs) is known as transforming our world: the 2030 Agenda for Sustainable Development.

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“Sustainability calls for a decent standard of living for everyone without compromising the needs of future generations.” (VNG, LGCP, 2016). These goals have to be achieved by international development cooperation by the UN member countries. But how is it possible? It needs to build the capacity of all kinds of socio-economic actors. In this context, the central and local government agencies are the key actors as the social organizations to facilitate the individuals, all kinds of private social and commercial organizations in building their capacity for achieving the SDGs. There are 17 “Global goals” with 169 targets. The goals are contained in paragraph 54 United Nations Resolution A/RES/70/1 of September 2015 (UN official Documents, 2016). On 19 July 2014, the UN General Assembly’s Open Working Group (OWG) on Sustainable Goals forwarded a proposal for the SDGs to the Assembly. It included ending poverty and hunger, improving health and education, making cities more sustainable, combating climate change, and protecting oceans and forests (Press release, 2014).

The major 17 points goals are **1. No poverty, 2. Zero hunger, 3. good health, and well-being, 4. Quality education, 5. General equity, 6. Clean water and sanitation, 7. Affordable and clean energy, 8. Decent work and economic growth, 9. Industry, innovation and infrastructure, 10. Reduced inequalities, 11. Sustainable cities and communities, 12. Responsible consumption and production, 13. Climate action, 14. Life below water, 15. Life on land, 16. Peace, justice, and strong institutions 17. Partnerships for the goals.** These 17 points goals basically indicate the related responsible ministries of a government and their local government agencies or departments in achieving SDGs by 2030. In the Commonwealth Local Government Conference, it is observed that for local government to play a full role in supporting the achievements of national and global development targets such as the SDGs, it is essential that adequate resources and powers to access own-source revenue are devolved to the local level: domestic resource mobilization will be critical to achieving the SDGs (Gaborone Declaration 2015). In this context, the national revenue collection domestically is the only source of revenue by imposing a higher rate of

taxes and non-taxes revenue. But very often, after budgeting, the private investors, especially in the underdeveloped or developing countries, protest to reduce the rate of taxes in terms of discouraging new investors, unemployment, discontinuing the existing competitive business etc. In Bangladesh, here is a repercussion in collecting more revenue by the high rate of taxes and VAT. “The corporate tax remained unchanged in the proposed budget, which according to him, is discouraging potential and existing investors from taking up new ventures or expanding their plant sizes (Bakht, 2016). “Local industries will lose competitiveness if the supplementary duty is withdrawn on a number of products” (Khaled, 2016). Ahmed thanked the government for reinstatement of package VAT. But he said they will sit with the government for a cut in the rate of package VAT as the budget proposed a cent-percent increase (Ahmed, 2016). The given reactions of the leading businessmen of Bangladesh on the government fund upraising budget for revenue collection is calling for **a new source of revenue**. In this context, fund-raising (treasury) entrepreneurship at local government of the member countries of the UN would be a new way of collection revenue in order to allocate the profit for socio-economic development projects and for achieving the SDGs by 2030.

Local Government has two types of funds for undertaking public service generating projects and providing regular services; one is revenue fund, the other is development fund. Very often these funds are not being able to continue the regular services and undertaking enough plans and projects for satisfying the fundamental needs of the local people. The main source of the revenue fund is the revenue collected from the people of the locality by imposing a tax, rates, tolls and different fees. On the other hand, development fund consists of ADP (Annual Development Programs) and grants/local donations from other sources (Ahmed, 2016). But, the people of local government often do not want to give taxes, even sometimes they protest against the local government agencies by street processing under the opposition political banner. In this context, revenue structure of local government is very weak in collecting enough revenue for undertaking local plans and programs in achieving

Sustainable Development Goals (SDGs) for the related responsible local government agencies. On the other hand, the decentralized local government is not performing well in making local resource-based SDGs oriented plans and programs without the strong financial support of the central government. It is also found that there is an inconsistency between election manifesto of the winning political organization, and national and local plans of the government due to the decentralized local government (Datta, 2017). According to the Centre for Policy Dialogue (CPD), strong financial support and infrastructural changes are required in achieving SDGs by 2030 (Bhattacharya, 2017).

Therefore, in the above circumstances, setting some high potential services and manufacturing Local Government Enterprises (LGEs) in rising existing funds (treasury) have two significant benefits; (1) Rising local or national revenue income (2) Bring about socio-economic development in achieving Sustainable Development Goals (Datta, 2017). Fundraising Local Government Enterprises (LGEs) are basically social enterprises based on locally produced farm products and raw materials to ensure the fair price for the farmers, generate employment, and provide quality health and education, poverty-free society. “Social entrepreneurship has proven to provide impactful innovations for poverty alleviation,” (Abby Maxman, 2017).

Most of the departments of Local Government Institutions (LGIs) are well enough to provide technical support in setting 17 points goals oriented Local Government Enterprises (LGEs) under controlling of related ministries or set by the separate department LGEs at each local government unit under the Ministry of Finance. In analyzing the literature and primary data, it is found that there is scope of setting some locally viable and 17 points SDGs oriented enterprises to increase the capability of Local Government as well as Central Government for achieving SDGs. Therefore, all the member countries especially in developing and under developing countries should make a chain between election manifesto, national and local plans under an unified implementing and controlling system by setting Local Government

Enterprises (LGEs) to build the capacity of the ministry of finance in providing strong financial support from the central treasury to adopt the new concept of achieving SDGs by 2030 to change the world into a poverty-free peaceful world. This effort will be able to increase revenue income in making a strong fund (treasury) by expanding economic activities at rural and urban area as well as increase the capacity of infrastructural and social development in touch of 17 points SDGs.

LITERATURE REVIEW

1. Scope of Setting Local Government Enterprises (LGEs) in Achieving SDGs

In searching literature review, there are no directly related articles, books, or research on the world new concept of Local Government Entrepreneurship (LGEs) for socio-economic development in achieving Sustainable Development Goals (SDGs). But in touch with the research problem, some related literature are analyzed here. Many governments around the world, believing that entrepreneurship is the key to economic development, offer Entrepreneurship Development Programs (EDPs). An entrepreneur is one who combines the land of one, the labor of another and capital of yet another, and, then, produces a product (Say, 1827). In this connection, the local government can produce locally collected resources based products and services by using locally vested land and the technical assistance of the related department of the local government institutions (LGIs) to strengthen the local economy in achieving the related SDGs. In Bangladesh, there are 17 departments (Upazila Manual, 2013) at the rural local government who can provide technical support in setting locally suitable revenue earning manufacturing or service-oriented enterprises in achieving 17 points sustainable goals (SDGs). The urban local government can expand its activities similarly by setting 17 departments under seventeen ministries. Innovation to the entrepreneur plays an important role (Schumpeter, 1939). Therefore, setting LGEs is an innovative idea in the context of

entrepreneurship development of a country that can play a significant role in achieving SDGs.

The entrepreneur is intimately associated with the three elements risk bearing, organizing and innovating; Marshall advocated the significance of organization among the services of a special class of business undertakes (Marshall, 1936). The crucial role played by the entrepreneurs in the development of the Western countries has made the people of under-developed countries too much conscious of the significance of entrepreneurship for economic development (S.S. Khanka, 2016).

Entrepreneurship is described as one of the two necessary conditions for economic development, the other being the increased output of capital (Parson and Smelser, 1956). In analyzing this context, LGEs can earn huge capital as revenue for social and economic investment to bring about a local economic change in a touch of achieving 17 points SDGs. The acceleration of economic reform in the early and late 1990s has highlighted repeatedly the importance of social welfare for maintaining economic growth, social stability, and political authority (Croll, 1999).

Government acts as a public entrepreneur and venture capitalist in addition to its traditional regulatory role in setting the rules of the game. Moving beyond product development, innovation then becomes an endogenous process of “taking the role of the other”, encouraging hybridization among the institutional spheres. (Zerbinati & Souitaris, 2005) In this paper, the author explores the potential role of entrepreneurship in public sector organizations.

At first, he presents a review of the entrepreneurship theme in the political science and public management research streams, comparing these ideas with the mainstream business literature on entrepreneurship. Thereafter, illustrate empirically how Stevenson's classical framework of entrepreneurship can be applied in a European local government context to explain the recent initiatives to compete for and utilize the European

Union structural funds. The empirical basis of the study is comprised of ten in-depth case studies of local government organizations, five in the UK and five in Italy. Finally, it proposed five distinct types of entrepreneurial agents in the public sector: professional politician; spin-off creator; business entrepreneur in politics; career-driven public officer; and politically ambitious public officer. (Perlmutter & Cnaan, 1995) What are local public administrations expected to do in an era of tax base decline, diminishing state and federal support, and intensified public demand for more and better services? Here is an opportunity to set LGEs for raising fund to provide more public services to the local people.

Felice Perlmutter and Ram Craan argue that a Policy of fundraising and development is one solution to this dilemma. The authors acknowledge that private support for public services is not a new idea or practice: however, the institutionalized policy of capital campaign and donation seeking from private sources on an ongoing basis to fund traditional public services is the essence of this new policy (Hubbard, 1995).

The author has said that private sector support is imperative for public services is a good idea but in an underdeveloped or developing countries, private sectors, especially in rural area, is not being sufficiently encouraged in terms of investment risk of return and sufficient knowledge about entrepreneurship development (Rahman, 2017). In this context, local government has to become forward for entrepreneurship development to play an important role in achieving SDGs by setting local government-owned enterprises on leasing based or public-private partnership. Local government entrepreneurship in China in the reform era is argued to have been, on balance, instrumental to the growth and market-oriented reform. (Leadbeater, 1997) Social entrepreneurs will be none of the most important sources of innovation. Social entrepreneurs identify under-utilized resources, people, buildings, equipment and find ways of putting them to use to satisfy unmet social needs. Social entrepreneurs who deploy entrepreneurial skills for social ends are at work in parts of the traditional public sector, some large private sector

corporations and at the most innovate edge of the voluntary sector. (Macnaghten & Jacobs, 1997). This paper reports on a study using focus groups drawn from different sections of the Lancashire public which sought to cast light on the public understanding of and identification with sustainable development. Considerable public support was found for the idea that current ways of life are generating problems for the future and that economic activity would have to be held within environmental limits. However, there was very little support for the idea that sustainability would be achieved through government and business initiatives. But in the context of financing the local government, here is a good idea for sustainable development by strengthening local government through fundraising enterprises. (Froelich, 1999) *This article examines the effects of three major revenue strategies in nonprofit organizations. Evolving resource dependence is demonstrated by the shifting reliance on each source of funds: private contributions, government funding, and commercial activities. It is observed that a non-profit organization can raise its fund by performing commercial activities. In this connection, a government of a country including both local and central government is basically non-profit organization. Therefore, it can earn revenue and raise fund by setting some locally suitable commercial enterprises. In fact the main objective of these fundraising enterprises is to bring about a balanced socio-economic development.* (Carroll & Stater 2009) This article investigates whether revenue diversification leads to greater stability in the revenue structures of nonprofit organizations. The findings suggest that nonprofits can indeed reduce their revenue volatility through diversification, particularly by equalizing their reliance on earned income, investments, and contributions.

In this connection, local government as a non-profit organization can reduce the revenue shortage through diversification of its activities into revenue earning social enterprises besides the public services to increase the capacity for achieving SDGs. Because, the diversified revenue generating activities indirectly are the part of public services in achieving SDGs.

LGEs are the extended concept of SOEs. SOEs are known by many names-government corporations, government business enterprises, government-linked companies, and parastatals, public sector units or enterprises and so on. SOEs have been rising in influence in the global economy over the past decade. For instance, the proportion of SOEs among the Fortune Global 500 has grown from 9% in 2005 to 23% in 2014, including a greater presence in the top rankings (PWC Analysis, 2014). In fact, three Chinese SOEs (Sinopee Group, China National Petroleum, and State Grid) have consistently made the top ten since 2010 and contributed 16% of total revenues from the 114 SOEs on the list in 2014. This also underscores the growing revenue share of Chinese-Owned SOEs among the biggest companies in the world, as well as SOEs from across the rest of Asia (PwC Analysis, 2014).

Most of the countries of the world, the State-Owned Enterprises (SOEs) came into being on priority basis with a view “to replaces weak private sectors, to produce higher investment ratios and extract a capital surplus for investment in the economy, to transfer technology to strategic sector, to generate employment and to make goods available at lower costs” (Sunita, 1994). In the context of Bangladesh, Private sector is not remarkably encouraged due to investment risk and necessary knowledge for setting enterprises especially at rural local government area (Datta, 2017). Expected performance of an enterprise depends on human resource, skilled management. Himmelberg (2002) and Coles, Lemmons, and Meschke (2003) highlighted the effect of human resources in the development of an enterprise. As per the study of Asian Development Bank (ADB), the State-Owned Enterprises (SOEs) in Bangladesh is mainly confronted with some problems like redundant employees, overstaffing, and mismanagement. Another significant study found that a substantial number of persons holding managerial posts and performing managerial functions are without any management training (Haque, 1975).

It is observed that local government enterprise (LGE) is very close to the SOEs. Therefore, the management problem is the main obstacle to

operate effectively. In fact, the management style of private sector controlled by a new LGE department under Ministry of Economics or leasing system of local government-owned enterprises may be an effective concept to set LGEs to operate it purposively.

2. Strong Financial Support in Achieving SDGs by setting LGEs

In many developing countries like Bangladesh, local government service delivery capacities are hindered or not reached to a satisfactory level due to (a) Limited financial resources and revenue bases; (b) Restricted financial market access; and (c) Lack of proper institutional development (Siddiqi and Ahmed, 2016). It is observed that local government institutions are facing financial shortage in making enough plans and programs in achieving SDGs.

The ability to mobilize adequate funds is an essential pre-condition for the efficient discharge of the multifarious functions of local government; however, at least three features of local government finance distinguish it from central government finance. These are; the power of local government bodies with small territorial jurisdictions to collect indirect taxes (such as sales tax) is limited because the evasion of indirect taxes is easier in the ease of local government than in the case of central government. The local funds thus constituted are usually to be kept in a government treasury or in the bank transacting the business of a government treasury or in such manner as may be specified by the government (Siddiqi, 2016).

The local government can invest any portion of their fund with permission of the relevant authority. In analyzing this literature, the local government can use the fund to set revenue earning social enterprises subject to the permission of the central government for earning revenue in building its capacity as well as socio-economic development. The local government can form a special fund for any special purpose with the prior permission of the relevant authority (Siddiqi, 2016). In this context, the local government can deposit the profits from the

fundraising commercial projects by forming a new fund to strengthen the capacity of local government in achieving SDGs controlled by local government or central government.

The member countries of the UN needs huge fund for infrastructural changes and facilitating the local government agencies for setting 17 point goals to change the world by 2030. It depends on the opportunities of increasing revenue of the concerned countries which are not so easy in terms of protesting activities from the business communities, political oppositions, citizen action groups etc. So, the opportunities of imposing higher taxes and its area are going to be limited especially in developing and under developing countries of the world.

In every year, the expenditure of a government is gradually increasing for meeting the unlimited demands of the people of a country. In this context, the government is gradually imposing higher taxes, tariffs, VAT, duties including all other sources of revenue. Recently in Bangladesh, the budget for the fiscal year (budget, 2016-17) has been declared in the National Parliament with high targeted revenue collection for increasing the level of public services from national and local government levels of Bangladesh. Here we find some important information on government's attitudes of fund uprising through increasing taxes, tariffs, corporate taxes on the business and industries. In the immediate reactions of some business leaders gave their opinions are given below; The new budget lacks specific policy directions for boosting private investment matching with an ambitious revenue target set for funding upraised budgetary outlay (leading economists and business people said). In their immediate reaction after the presentation, of the TK 3,406 trillion budgets in parliament, they said revenues will mainly come from the business but it is hardly possible to mobilize resources sans ensuring satisfactory investment in the private sector. Economists were critical of proposed high domestic borrowing as it will result in increased interest payments at the expense of taxpayers' money. "I did not get any specific direction on how to stimulate the private investment which hovers around 21 percent although it needs to be

raised to at least 27 percent to attain expected level of economic growth.” He pointed out that the corporate tax remained unchanged in the proposed budget, which according to him, is discouraging potential and existing investors from taking up new ventures or expanding their plant sizes (Bakht, 2016). “Local industries will lose competitiveness if the supplementary duty is withdrawn on a number of products” (Khaled, 2016). Ahmed thanked the government for reinstatement of package VAT. But he said they will sit with the government for a cut in the rate of package VAT as the budget proposed a cent-percent increase (Ahmed, 2016).

President of Dhaka Chamber of Commerce and Industry (DCCI), Hossain Khaled said the ratiocinations of supplementary duties on 1440 products would cause problems to the local industries. He said, “In my view, the local industries will lose competitiveness if the supplementary duty is withdrawn on a number of products.” He mentioned that the corporate tax for the ready-made garment sector has been reduced to 20 percent while keeping it for other industries unchanged. The leading businessman noted that this should apply to other industries, too, especially the potential sectors and the SMEs. The cost of living would increase due to the proposed cent-percent hike in package VAT in the proposed budget.

Besides, the entrepreneurs of Small and Medium Enterprises (SMEs) will be discouraged from making the investment. (Khaled, 2016). Hailing various fiscal measures in the proposed national budget for the financial year 2016-17, the Metropolitan Chamber of Commerce and Industries has termed attainment of increased revenue collection target a major challenge for the government. In its mixed reaction to the TK 3.4 trillion proposed budget placed by the Finance Minister in the parliament, the chamber suggested that tax-complaint enterprises should not be burdened excessively with a view to achieving the high revenue target of TK 2.42 trillion (Manzur,2016). The given reactions of the leading businessmen of Bangladesh on the government fund (treasury) upraising budget for revenue collection is calling for a new source of

revenue. In this context, fund-raising entrepreneurship at local government would be a new way of collection revenue in order to allocate the profit for socio-economic development in achieving SDGs. There should have no remarkable reaction from the private sector investors and local people because it is only for revenue generation to strengthen capacity for delivering more services to the local people and rural economic development.

3. Centrally Controlled Local Plans in Achieving SDGs

The concept of planning is considered in society seems the central planning by central government. Annual Development Plan (ADP), Five years Development Plan and Perspective Plans are only made at the national level. The total planning support and monitoring system are organized in such a manner and fashion that the 'local level plans' do not have any place anywhere in the national planning and budgeting system. As the constitutional directives in Bangladesh added planning as one of the vital activities of LGs, all the LG laws of the country included short and medium-term plan provision in the legal framework of the LGIs.

In spite of constitutional provision (Article 59) and subsequent laws passed in the Parliament, local plans were not appropriately recognized in the national planning documents (Ahmed, 2016). In India, State Planning Commission supports the LG planning system through District Planning Councils (DPCs). The DPCs coordinate all LGI plans within the district. The state-level development financing of LGI is cleared at DPC levels considering the specific requirement of Panchayat Raj Institution (Kabir, 2014).

The National Planning Commission should extend its arms up to districts for proper guidance and monitoring of plans at local levels. In this case, DPC model of India may be reviewed for devising the system of Bangladesh (Ahmed, 2016). The author also suggested that taxation list needs rationalization from national to local and overlap, duplication, and multiple taxations need to be avoided.

4. Capacity Building of Local Government

Capacity development is a complex process, a means to reach to some end as well as a goal and outcome by itself. It takes place at different levels and with target population as well and it has to intervene at policy and implementation at both the levels for sustainable capacity achievement (Oxfam, 2015). The capacity framework incorporates policy environment, legal authority and empowerment, administrative sanction, adequate finance and required manpower with right kind of efficiency. The LGI capacity development needs a policy framework and an independent resource pool. It needs a legal environment and inter-organizational cooperation framework with LGIs and financial solvency of the LGIs and legal and social provision for resources mobilization. The development initiatives may come from national, regional, local and even individual entrepreneur levels. The existing legal framework on which the LGIs system in Bangladesh stands needs a thorough review because it is complex, cumbersome, confusing, contradictory and disjointed (Ahmed, 2016).

5. Decentralized Local Government and Election Manifesto in Achieving SDGs

In the twenty-first century decentralization and participation of local government are becoming popular panaceas that have attracted the special attention of donors, academics, many national and international agencies and many third world countries. Decentralization administration, participatory management, participatory action research, participatory evaluation, and recently with ‘good governance’ theory attributing new meaning and dimensions to the original areas of interest a decentralization and local government (Ahmed, 2012). In effect, decentralized budget based on local revenue fund is not being able to undertake optimal plans and projects for socio-economic development (Datta, 2017). At the turn of the decade, the experiments produced frustrating results and marked silence was observed for some years,

particularly in the third world countries (Cheama and Rondinalli, 1983). It is found that the most of the local government tires are always waiting for central grants or any other grants from foreign donor agencies due to shortage of revenue and development funds. Therefore enough funds are the prerequisite for local development.

A decentralization concept is a tool for political mobilization. In this context, local political leaders are getting more powerful and highly involved in political activities. But the question arises, how they are expert in using limited resources for making effective plans and implementing projects.

It is also found that sometimes decentralized fund and budget is being misused in making plans (Datta, 2017). So the proposed concept of fund-raising entrepreneurship of local government to implement centrally plans and projects with the necessary budget may be a new dimension for achieving SDGs. On the other hand, in the concept of political services marketing for peaceful democracy, each and every political organization has a political product (basic principles + past performance + election manifesto). The winning political organization wants to deliver the election manifesto (a package of local and central plans and programs) by using local and central government within five years duration as per ballot contract with the voters of a democratic country (Datta,2016).

Decentralization is a great obstacle to implement the pre-planned election manifesto designed as per SDGs. Local government is the most important government agency to deliver the political product (centrally approved local plans for each constituency + national plans) of the winning political organization. Because, in the concept of political services marketing, the winning political organization hand over the political product to the ministry of planning for creating and delivering the election manifesto or political product. Therefore, a structural change is imperative in achieving SDGs by 2030.

Research Gap and Conceptual Frame

In the literature review of the above section, it is found that many researchers have been conducted in relation to the research problem but no research has been conducted on the world's new concept of setting revenue earning of Local Government Enterprises (LGEs) in achieving SDGs. This is a burning issue throughout the world. Therefore, the concept should be studied to change the world by 2030.

In every country, there are public sector enterprises (SOEs) at central government but no fundraising social enterprises are available at local government. The local government of developing and underdeveloped countries are not capable to make a local demand based plans and programs in achieving SDGs due to sufficient fund.

On the other hand, the scope of increasing revenue of the central government is limited to finance the local government in building the capacity for achieving the SDGs related goals by the related departments. The ministry of finance may establish a separate department to operate LGEs by using the private style marketing management system. Here is an opportunity to mobilize local resource (land, labor, raw-materials, revenue & development fund) and central grants in setting locally suitable revenue earning Local Government Enterprises (LGEs).

It is also found in the literature review, that the decentralized local government is not well enough to make plans and programs in achieving the election manifesto in touch with SDGs. Therefore, centrally revenue collection and making local and national plans (Datta,2017) under the election manifesto is imperative for effective plans and programs implementation and controlling to periodic measure the level of SDGs during as per the political product of the winning political organization. Here are the major variables that have been identified in the literature review and personal interview KPI (Key Personal Interview).

Y = Performance of Local Government and the department of LGEs under Ministry of Finance in Achieving SDGs = (PLGG)

X₁= Role of Local Government including related Departments of other Ministries transferred to the local government in Achieving SDGs = (RLGD)

X₂=Centrally Controlled National & Local Plans as per the Election Manifesto of the winning Political Organization in Achieving SDGs = (CCNP)

X₃= Strong Financial Support to the Local Government Institutions by the Ministry of Finance = (SFSL)

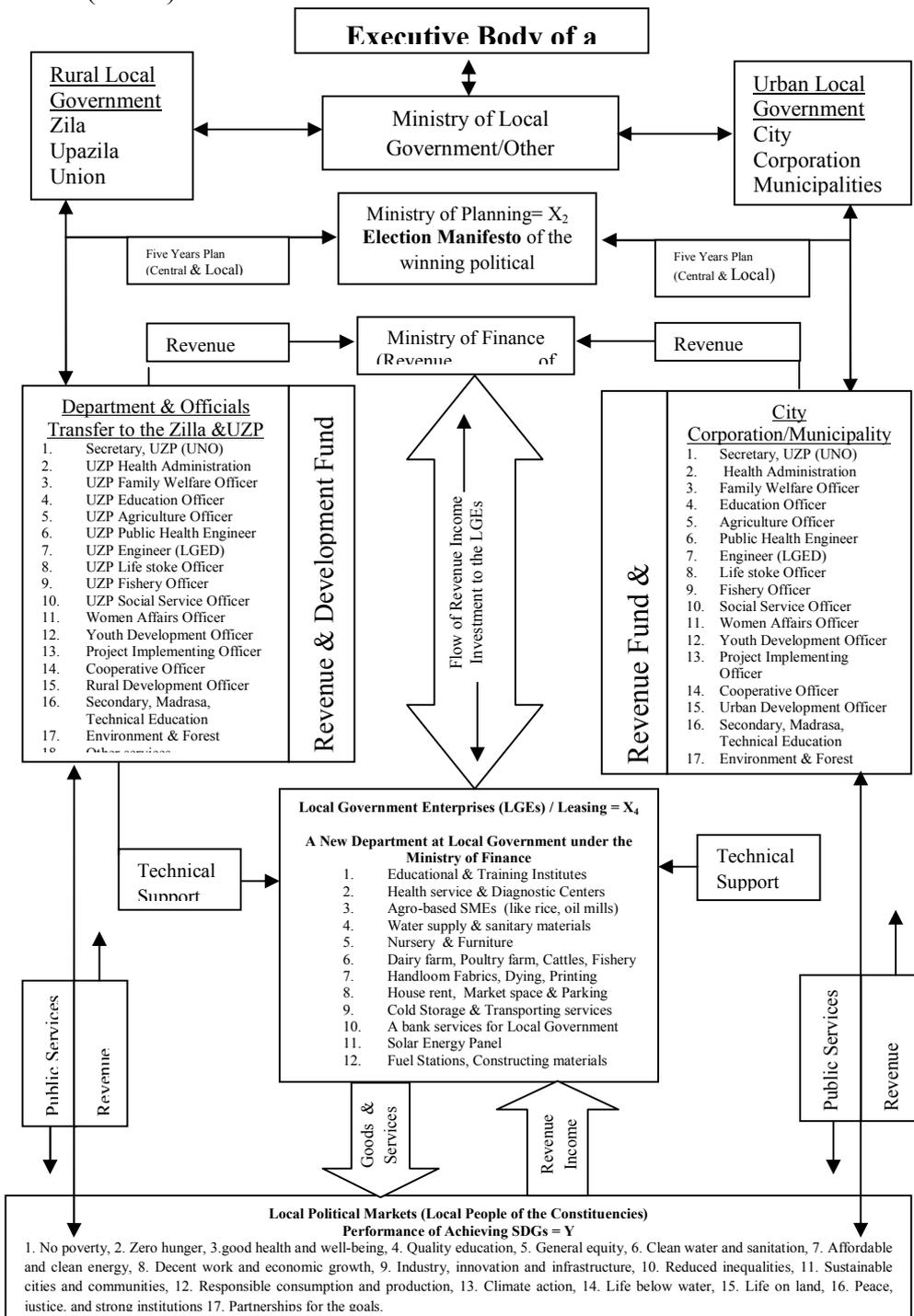
X₄=Impact of 17 points SDGs oriented Local Government Enterprises (LGEs) with skilled management under the Ministry of Finance = (ILGE)

$$Y = f (X_1, X_2, X_3, X_4)$$

OBJECTIVE

The main objective of this article is to identify the scope of setting 17 points SDGs oriented enterprises at local government under a separate department of Finance Ministry and centrally controlled election manifesto based national and local plans by using private style skilled marketing management system to facilitate the local government institutions and other departments transferred to the local government in achieving SDGs.

Figure 1 : U.K Datta Model of Achieving Sustainable Development Goals (SDGs)



The research problem is that the local government including other departments transferred to the local government is facing shortage of development fund and inconsistency exists between central and local government plans, and election manifesto in undertaking 17 points SDGs oriented plans and programs. The present revenue structure of both central and local government is not enough to provide strong financial support to local government institutions for undertaking SDGs based plans and programs by 2030. This is an exploratory research. Qualitative data has been collected by literature review, discussion with some experts in economics, public administration, and government and politics from two public universities; University of Dhaka, and Jahangirnagar University of Bangladesh. The author has collected data personally from face to face personal interview. Two focus group discussion FGDs have been conducted to develop a conceptual model. The author personally played the role of the moderator in the two separate FGDs; one is in Dumura Upazila on a sample of 10 participants (Upazila Chairman, and government officers) another at National Institute of Local Government (NILG) with 10 Mayors of Urban Local Government. Data has been analyzed and explained by using the given conceptual model.

RESULTS /FINDINGS

Discussion with 10 Experts Professors of Local Government

To elaborately define the research problem, 10 expert opinions were taken from the department of public administration, University of Dhaka, Government and politics, Jahangirnagar University, Savar, Out of 10 expert professors, 5 professors agreed positively to set fundraising enterprises at local government tiers as the Local Government Owned Enterprises (LGEs). They said that the present financial structure is not so well for local demand-based planning and executing. On the other hand, a higher rate of tax and VAT is limited in terms of dissatisfaction of the general people. On the other hand, increasing the corporate tax sometimes discourse the new investment from the private sector. Therefore, the new concept of balanced economic development can be

set for earning additional revenue for strengthening the capacity of all local government tiers for providing local demand based public services to best satisfy the local people. Presently, the block grants are not suitable for local demand-based planning. On the other hand, 4 professors said that enterprises setting at the local government are significantly important for building the national socio-economic development of Bangladesh. But who will do it? Local government-owned enterprises are losing concern due to marketing management problem. Some of them said it may be set by a public-private partnership (PPP). A renowned professor of economics suggests setting the enterprises by the local government ownership, but it must be operated by the highest bidder of the local entrepreneurs on a contract basis (Akash, 2017). Another renowned professor said that local government can facilitate the local people to set enterprises privately. Later, the local government can earn revenue from these businessmen.

The chairmen of public administration disagreed the concept due to inefficient management, and corruption. He also said that local government has no such skill for operating the fundraising enterprises. Another eminent professor in economics said that in PPP model, the private partner will take the major benefits from the enterprises. On the other hand, setting local government-owned enterprise plants for leasing the highest bidder will encourage the local elected political leaders to allot it among their relatives and personal interest.

The Executive Director of CPD (Centre for Policy Dialogue) said that leasing system model may be used for personal interest by the local political leaders. But he suggested to encourage the PPP model for setting enterprises at local government. Besides this, he also said that local government can facilitate the local business people for setting new enterprises based on local land, labor, and locally produced raw materials. He agreed to set enterprises but he was confused about the operating model. He also said that this attempt is significantly important in achieving SDGs by 2030 and advised another to relate the SDGs with the research concept.

Focus Group Discussion with High Officials at Rural Local Government

The focus group discussion has been conducted at Dumuria Upazila, Khulna. The Upazila Chairman, Vice-chairman (male) Vice-Chairman (female), Upazila Nirbahi Officer, Agriculture Officer, Livestock Officer, Social Welfare Officer, Cooperative Officer, Youth, and Sports Officer took part in the discussion. The Upazila Chairman said that entrepreneurship in local government for fundraising is a very good concept. At present, the Upazila Parishad is failing to undertake necessary development projects to meet the local demand due to the inadequate development fund. There is a huge scope for generating employment by developing entrepreneurship at local government. This Upazila is famous for vegetable production and huge vegetables are being transported to Dhaka. In this context, transporting business might be a potential unit for earning revenue for raising development fund. Besides this, fishery, dairy farm, cold storage might be set up in this Upazila. This initiative might be the substitute of micro-credit by increasing the ability for allocating interest-free loan for the self-employment from the Upazila development fund.

The entrepreneurship of local government might be an attractive way of economic development in terms of effective policy and management by the central government. The Upazila Nirbahi Officer said that the entrepreneurship in local government is a very good concept no doubt. But before undertaking attractive commercial projects for fundraising, effective management should be developed at local government. For example, in transportation business, the institution needs some skilled people and a unit for operating and maintaining the business. Government logistic support can ensure the higher price to the farmers. A separate management unit might be set up under the ministry of commerce or ministry of finance for effectively operating the commercial projects in raising development fund. This initiative also can control the price level in favor of the consumer for consuming farm products at a lower price. Even, the local government might be able to

finance the central government also. He also said that the entrepreneurship at local government will be able to increase the growth rate of GDP. A strong committee might be formed to run the commercial projects effectively and efficiently. 10% profit might be allocated among the members of this committee as incentive.

The Upazila Vice-chairman agreed with the opinions of the UNO. He added that there is a great opportunity for generating employment in suitable commercial projects at local government level. Adequate development fund will help the local government institution for allocating interest-free loan for self-employment. This initiative will be able to discourage VGF program. Therefore, rural economy will be stronger and the overall capacity of local government also will be increased. The Vice-chairman (female) agreed with this statement given by the Vice-chairman (male). She argued that micro-credit is no longer effective for poverty alleviation. The government should find the new way of employment generation and poverty alleviation.

The Social Welfare Officer said that it needs to develop a national policy for executing this concept. A new separate management department must be set up under the ministry of commerce or finance. He said that the success rate of micro-credit is only 5%-10%. In this context, entrepreneurship at local government might be an effective tool for generating employment for the local people. The Cooperative Officer said that the concept is very good and potential but management challenge is significantly important. A cooperative wholesale market might be established at Dumuria for farm products. All farmers will sell their farm products in this market. The vendors will purchase the farm products from here to send it to the urban area. A supermarket might be established for the local target group. A sales center might be set up for handicraft products for encouraging the local cottage industries. In this context, Parishad can invest in logistic support like truck, warehouse, cold storage etc. Here is a scope of employment generation to strengthen the socio-economic development toward SDGs. Most of the people in this Upazila are farmers. They expect such a loan which will

be paid after investment return. But in micro-credit system, loan recipients bound to start instalment payment. Therefore this system is not so effective in generating self-employment. In this connection, entrepreneurship at local government can play a significant role in employment generation and flourish the development activities.

The Upazila agriculture officer said that it is very urgent to raise fund for strengthening the local government for generating public services to satisfy the local people. In this view, entrepreneurship at local government is a good concept in terms of fundraising to undertake socio-economic development projects and employment generation for the local people in achieving SDGs. In fact, the central government should hand over a new management unit under the ministry of finance or ministry of commerce. He added that service oriented commercial projects might be potential sectors like establishing a training center, lake, park, transportation, high-rise building, community center, warehouse, cold storage etc. he also added that rice mill is another potential commercial project.

Now the government of Bangladesh is purchasing rice instead of paddy. For raising development fund, entrepreneurship is better than taxes and VATs because the people do not want to pay higher tax and VAT. Ministry of Planning should conduct an experiment in some Upazila Parishads for examining the probability of success on a pilot basis. The Livestock Officer said that a dairy farm might be established targeting the greater Khulna market. In this project, employment will be generated for procuring milk from the farmers, producing package and distribution of the packaged milk.

Focus Group Discussion with the Mayors at Urban Local Government

A focus group discussion was held with 10 Mayors from Munsigonj, Singair, Madaripur, Tungipara, Nazipur, Boalmari, Manikgonj, Sreepur, Gajipur, Shibchar, apart from the urban local government of Bangladesh

at National Institute of Local Government. The research director was the moderator of the discussion and qualitative data has been collected by using a mobile device. At the start of point of the focus group discussion, the moderator shares the research concept with the participants to identify the potentiality of setting fundraising commercial projects as the entrepreneurship development at local government. The mayor of the Singair Pauroshova said the most important farm products are vegetables in the locality. Around 80% of the total vegetables consumed in Dhaka City is supplied from Singair area of Bangladesh. But there is no cold storage here. Farmers became bound to sell their perishable vegetables at a lower price. Setting cold storage here will generate employment and ensure the fair price for the farmers. On the other hand, there is no gas for establishing agro-based industries. A community center, multi-storage building, the diagnostic center may be established to earn revenue by providing public services.

Recently, the salary incensement of the staff has been expanded. Therefore, revenue income of Purosovas has should be increased. On the other hand, the farmers of this area are not getting the justified price of milk. The middlemen are selling per litre milk at 70-85 taka in Dhaka market. Therefore a dairy firm, milk processing small industry can be set here for employment generation and ensure the just price of milk to the farmers. Besides this, Paurosha can establish markets to rent for earning revenue as a risk-free investment. He also said that all Pauroshava can establish small and less risky investment for earning revenue to reduce the dependability on ADP and foreign donation and loan. ADP is restricted for the specific purpose of projects. It cannot be expanded to meet the emergency demand of the local people. He said the government should facilitate all local government units in creating income generating projects to reduce the funding pressure on the central government. Only the taxes fees are not enough for sufficient public services. He added that the research concept is highly appreciated but central government should provide the initial investment. The mayor of Madaripur agree with this statement and said that the concept is very good, but question remains who will finance the initial investment? The government of Bangladesh

is collecting revenue for ADP allocation from the foreign loan and donation which is shameful for the nation. In this connection, Puroshava can set school, college, universities, medical college and related services-oriented revenue earning projects to reduce the financing pressure on the central government revenue. These initiatives will create job opportunities for the local people. The government should provide initial investment to set enterprises at local government. One mayor said that this research concept is very close to the nationalization and socialism concept of Bangabandhu Sheik Mujibur Rahaman.

A large number of social and commercial organizations have been nationalized by him. But all were losing concern for mismanagement. Strong management is required to successfully operate the fundraising enterprises at local government units. The mayor of Tungipara, said that it is possible to set enterprises at Pauoshava in terms of enough fund allocation by ECNEC, Ministry of Planning for the initial investment. The mayor of Mujib Nagar, said that the research concept is good. In building digital Pouroshava, the government should provide initial investment. The mayor of Boalmari Pouroshava said that this research should be undertaken under the ministry of planning. If the central government can provide initial investment for setting service-oriented revenue earning projects like a community center, special hospital etc. the revenue earning from these project will be helpful to bear the operating cost of Poroshavas. This effort will also help to reduce the dependability on the central government as well as the foreign donations.

The mayor of Manikgonj agreed fully to the establishment of revenue generating commercial projects to strengthen the capacity of service delivery. He also pointed that, it will helpful tool for generating employment for the local people and reduce the dependability on foreign donation and as well as central revenue. The mayor of Sreepur said that some small and medium industries may be set to reduce the unemployment problem in Bangladesh. He also fully agreed to the discussion mentioned above. The mayor of the Munshigonj also agreed with other participants' statements.

DISCUSSION AND RECOMMENDATIONS

In analyzing the qualitative secondary and primary data, it is found that there is a scope of setting Local Government Enterprises (LGEs) at urban and rural local government including other department transferred to the local government institutions in providing financial support for achieving SDGs. The analysis reveals some tentative suggestions. They are as follows.

1. According to the literature review, the election manifesto should be made in considering local plans for each and every constituency as per five years target of the SDGs by the political competitors in a democratic country which would be handed over to the ministry of planning to execute it by urban and local government and related other departments transferred to the local government. Because decentralized local government is not capable to make plans in considering 17 points Sustainable Development Goals (SDGs) due to enough financial support and necessary managerial knowledge. As per the primary data and the conceptual model, the ministry of finance can set suitable Local Government Enterprises (LGEs) as pilot project at each and every rural and urban local government to strengthen its capacity in providing necessary finance to the local government including other departments for investment to bring about economic development and social development in achieving SDGs under a private style skilled marketing management department at each local government unit. The newly established department of LGEs will take technical support from the related departments at local government unit (*Health Administration, Family Welfare Officer, Education Officer, Agriculture Officer, Public Health Engineer, Engineer (LGED), Life stake Officer, Fishery Officer, Social Service Officer, Women Affairs Officer, Youth Development Officer, Project Implementing Officer, Cooperative Officer, Urban Development Officer, Secondary, Madrasa, Technical Education, Environment & Forest , Other services*)

2. The ministry of planning will set 17 points of SDGs goals from top to bottom of local government institutions and other related departments of different ministries as per the election manifesto of the winning political organization.
3. The revenue income (profits) from the LGEs at local government would be deposited in the central government revenue (treasury) to increase the capacity of the Ministry of Finance in providing strong financial support to all local government institutions including other related departments and ministries.
4. Measuring 17 points Sustainable Development Goals (SDGs) yearly, identifying the gap and taking corrective actions instructed by the ministry of local government, the ministry of planning, and ministry of finance shall help achieve the goals by 2030.
5. A new Act should be made for SDGs oriented LGEs setting at local government institutions. On the other hand, as per the literature review data, political and administrative reform is also imperative to eliminate overlapping plans and programs between central and local government. In this connection centralized local government should be re-established to eliminate the vertical conflicts between Upazila Chairman, Member of Parliament (MP) in delivering political services as per the SDGs oriented local package of election manifesto (Datta,2017) in each and every constituency by using local government institution.

CONCLUSION

In this research, it is observed that local government institutions are not able to make plans and programs effectively due to lack of locally collected revenue fund and central government's grants as per the 17 points SDGs. Therefore, structural and legal changes are very imperative by which the central government and local government will make plans

and programs in achieving SDGs. It is also found that huge financial support is required for investment in infrastructural and economic development as well as social development in achieving SDGs by 2030. In fact, the ministry of finance is not fully capable to provide enough financial support to the local government including other related departments within the present revenue structure. In this situation, the central government can set fund-raising enterprises (LGEs) at each and every rural and urban local government institution by setting a separate department with an effective management system to provide needed financial support to all ministries and their departments especially the ministry of local government for setting 17 points goals for achieving SDGs. Because, it has double benefits; (1) Infrastructural and economic development, (2) social development within the Sustainable Development Goals (SDGs). In the conclusion, this world new concept in setting LGEs at rural and urban levels of local government in the context of Bangladesh would be the best model in achieving SDGs for other countries of the world to change the world especially in developing and under developing countries.

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