Participatory Budgeting as if Emancipation Mattered

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ABSTRACT:

Participatory Budgeting has by now been widely discussed, and often celebrated, now instituted in at least 1,500 cities worldwide. Some of its central features - its structure of open meetings, its yearly cycle, and its combination of deliberation and representation are by now well-known. In this paper, however, we critically reflect on its global travel and argue for more careful consideration of some of its less well-known features, namely, the coupling of the budgeting meetings with the exercise of power. We disaggregate PB into its communicative and empowerment dimensions and argue that its empowerment dimensions have usually not been part of its global expansion and this is cause for concern from the point of view of emancipation.   In this paper we thus discuss the specific institutional reforms associated with empowerment in the original version as well as its analytic dimensions.   We also address some of the specific dangers of a communication-only version of PB as well as some suggestions for reintroducing empowerment.

Introduction

Of all the Real Utopia proposals, Participatory Budgeting has a unique status: not only is it an institutional reform that has been widely implemented (1500 cities as of last count), it is one whose original design is self-consciously aimed at the kind of social transformation that undergirds Real Utopian thinking. That is, in contrast to community policing, public libraries, or Wikipedia, the original design objectives of Participatory Budgeting were not just better policing or a more transparent society but bringing to life practices that were both pre-figurative of the societies we want and part of a strategy of achieving that society (in one version, a "virus" to infiltrate the bourgeois state). Much of the hand-wringing about Participatory Budgeting has been about whether it has indeed brought us closer to that. And the reflections about Participatory Budgeting have developed alongside Real Utopian thinking, often having it as a central point of reference.[2] As Participatory Budgeting has finally arrived on US shores (Chicago, New York, and Vallejo) it completes a twenty-five year journey from social movements and leftist parties in Brazil during the end of its military dictatorship to the heart of Empire, via a number of international networks and agencies. Participatory Budgeting provides us with an unusually clear vantage point from which to explore the real world possibilities of Real Utopian thinking.

The global travel and adoption of Participatory Budgeting is a remarkable story. A relatively simple idea – that "ordinary citizens" should have a direct say in public budgets that impact them, it has traveled the world by the most unexpected routes and landed in unlikely sites. Some twenty-odd years after its shaky start in under the leftist city government of the Workers' Party (PT) of Porto Alegre[3], and twenty-five after its first mention by neighborhood activists in that city, the idea and basic blueprint of Participatory Budgeting have now circled the world, having been implemented in literally hundreds of cities in all continents. First it circulated through Workers' Party networks in the 1990s reaching throughout Brazil, before becoming popular throughout Latin America, via political party networks and then NGOs. Hundreds of municipal participatory budgets were developed in Argentina, Chile, Uruguay, Peru, Ecuador, Venezuela, Guatemala, the Dominican Republic, and elsewhere in the region. In the 2000s, participatory budgeting then attracted the attention of international development agencies as well as that of activists in the Global North who learned about it through the World Social Forum. Since 2000, the World Bank and United Nations agencies have in one way or another helped bring participatory budgeting to Asia and Africa, in countries such as Turkey, Fiji, Senegal, Mozambique, and Zimbabwe. And at the same time, European cities begun to implement this idea, once described as the "return of the *Caravels*" by Giovanni Allegretti and Carsten Herzberg[4]. At the time of this writing there are dozens of experiences in countries like Spain, Portugal, France, Italy, Germany, and England, and Albania[5]. It has, along the way, become official government policy in Venezuela, Peru, and the Dominican Republic, and most recently, actively promoted by subsequent Labor governments in Britain. It has by now even appeared in the United States, starting with Chicago's 49th Ward in 2009.

There are several striking features to this journey, but we begin this essay by focusing on one: the seemingly endless adaptability of PB to the most varied contexts and its compatibility with the most diverse political projects: Left, Right and Center. As the idea traveled from the South of Brazil to other places within Latin America in the 1990s, it slowly but surely gained acceptance by political parties outside of the left. As it traveled internationally, it became completely dissociated from progressive parties

altogether. By the time it arrived in the United States there were still invocations of social justice by some of its implementers, but it was de-linked from progressive institutional projects and was part instead of the loose toolkit of ideas for innovative good governance, part of the "fast policy transfer" that Jamie Peck has described as characteristic of our era.[6]

In the 2000s, PB had become completely politically polyvalent.   It was promoted by actors as varied as the World Bank and the Chavez government in Venezuela.   The PB Unit, a promoting organization in England, in one of its "how-to" pages, describes how to make a pitch for PB to your local elected official, instructing advocates to choose from a menu of arguments to make for it based on the councilor's political leanings. Greens and progressives might find resonance in PB's local empowerment, but centrists and conservatives do so as well: as it should be framed as a "*sensible* step in decentralising and localising responsibility." For conservatives, PB is to be promoted as fostering "community cohesion," "innovation," "social entrepreneurship" and "restoring trust" in government.[7]

The argument we make in this essay is that Participatory Budgeting, in its original versions as part of a transformative left project, was but one part of a broader set of institutional reforms. In addition to open meetings where citizens decided on priorities (the more visible part of PB), there was *a much-less visible* but crucially important institutional architecture that created the conditions for those decisions to be meaningful by linking them to the centers of governmental decision-making. These real democratic reforms of the state apparatus were manifold, and included, among others, reforms to subordinate the local bureaucracy to citizen demands and to protect the "chain of popular sovereignty" from outside influence by creating a cabinet-level special department above fiefdom-like municipal departments through which all PB projects would be approved. The combination of the open meetings with these reforms made PB participation come closer and closer to effective popular control of the local state. In fact, a recurrent problem noted in the literature with the early PB experiments was that elected city councilors often opposed the process for feeling sidelined altogether.

We describe these two elements as the communicative and empowerment dimensions of PB.   We refer to the open structure of transparent meetings to decide on projects and priorities as the communicative dimension because the meetings are based on procedures that regulate the conditions of communication, democratizing the nature of demand-making in civil society.   We refer to the connection of those meetings to the centers of decision-making as the empowerment dimension.   To put it bluntly, in the global translations of Participatory Budgeting, the communicative dimension has traveled, but not the empowerment one. Defined in this way, there is the danger that Participatory Budgeting to be only peripherally connected to centers of power, and instead be linked to small discretionary budgets and bound by external technical criteria. It becomes a process of one-sided democratization that brings greater transparency and social justice up to the point where demands are delivered to state officials; what happens after that point, let alone what portions of city budgets are turned over to the popular mandate, are left untouched. We worry about this reduction of the process and discuss ways to recapture the empowerment dimension, and ultimately, PB's emancipatory potential.

To be clear, the argument we advance in this essay should be read of as distinct from the blanket condemnations of participation that have become increasingly commonplace,

but is also distinct from a more traditional "de-radicalization" or cooptation argument. A cursory reading of the travels of Participatory Budgeting story might lead to an argument that under the rule of a leftist social-movement party Participatory Budgeting was a progressive experiment, while under other banners it has not been. Our argument is different, and much more specific: it was the combination of the communicative and empowerment dimensions that made the participation so consequential and transformatory. That it happened under a particular political context is important to understanding how it came about, but incidental to our main argument. We are agnostic, and here frankly less directly concerned with the particular composition of forces that could come to bring about such an institutional architecture in other places. Certainly it is hard to imagine it, absent a political project and mobilization from below, but our goal is not to map in advance the contours of such a project. What we are more concerned with here is developing a more precise set of analytic tools to discern different aspects of participatory budgeting, and by extension, other Real Utopian proposals. The set of critical tools we propose should allow us to question participatory proposals by both political actors who have our sympathies and those who do not.

Our essay proceeds in parts. First, we briefly describe Participatory Budgeting in both its communicative and empowerment dimensions, and its take-up by the Real Utopias discussion. We then discuss the global travel of a PB defined solely as a toolkit of communicative reforms and the pitfalls such a reduced model. We then argue for the value of a more complex architecture that articulates PB procedures with decision-making, before concluding with specific suggestions to recapture the emancipatory dimensions of participation.

Participatory Budgeting as a Real Utopia

Participatory Budgeting is at its heart a relatively simple idea: citizens deciding over the priorities and projects that make up a public budget. The "Brazilian version" that was implemented in Workers' Party administrations throughout the 1990s and early 2000s was in dialogue with a "basic blueprint" of PB that had been circulating among PT networks and provided the starting point for most of the PB experiments that took place at the time in Brazil.[8] This was essentially closely modeled on the famous "Porto Alegre model," which was in place in that city from 1991 until 2004. This blueprint had two components: an yearly cycle of assemblies where participants choose and debate projects, and a reshuffling of the

Participatory Budgeting has been part of the Real Utopias cannon since the 2003 volume[9], and Real Utopian thinkers have returned to it time and again for inspiration.[10] It connected, specifically, with the discussion on Empowered Participatory Governance (EPG). As is well-known, the Empowered Participatory Governance proposal is an ideal-typical institutional design proposal for deliberative decision-making and pragmatic problem-solving among participants over a specific common good. It is, in principle applicable to a wide-range of situations. It is understood to center on reforms that devolve decision-making to local units that are supported, but not directed, by a central body. These units are in turn truly empowered to enact their decisions. This model aims to foster redistributive and efficient decision-making that is deliberative and democratic and superior to command-and-control structures on a number of counts.

The Porto Alegre experiment, which was the case study cited in the volume, met the criteria of the Empowered Participatory Governance proposal in a number of interesting ways. First, the process created direct deliberation between citizens at the local level and devolved substantial amount of decision-making power to these local settings. These citizens were involved in pragmatic problem-solving, and monitoring and implementing solutions achieved. These continuously deliberative processes unfolded over the years, meaning that there were chances for participants to learn from mistakes and extend their own time-horizons of what an acceptable outcome might be. These local units, though vested with substantial decision-making power did not function completely autonomously from other units or from central monitoring units. Rather, central agencies offered supervision and support of local units but respect their decision making-power, the feature of *recombinance*. The Porto Alegre case also showed how complex management of a whole city could occur through combinations of direct and representative democratic forms.

Disaggregating Communicative and Empowerment Dimensions

The Real Utopias discussion of PB, like most other accounts of the time, tended to emphasize the process of decision-making within PB over the processes that linked those decisions to government actions. There are nuanced distinctions between bargaining and problem-solving within forums, and there are careful accounts of how truly inclusive participatory forums are. There is much less on the sources of funding for PB, let alone distinctions between, say, decisions on operating and capital budgets. There is more on the coordination between neighborhood forums than on between municipal departments, or municipal departments and local planning agencies.   There are careful counts of the gender balance of speakers at forums but no counts of how often popular decisions were countermanded by technical criteria.   The research of the time tended to be participant-centered, and viewed the process very much as participants might: a lot of detailed attention to one's neighbors and proximate others like facilitators, with the government machinery, more elusive and fading into the background. [11]

Today, with the benefit of hindsight, however, it is easier to return to the model to re-read it in a more complex way, attentive to both participant-side and institutional perspectives.   It is also a more pressing task. On one hand, the proliferation of PB projects call for some kind of more nuanced analytics beyond analyzing rules at meetings and counting participants. The case of the city of Porto Alegre itself is especially instructive. There, after the defeat of the Workers' Party in late 2004, a politically conservative coalition maintained the surface features of PB while returning the actual functioning of the administration to more traditional modes of favor-trading and the favoring of local elites.   On the other, the romanticized identification with the architects of the process that formed the political backdrop for many of the analysis is also no longer sustainable. Leaving aside the corruption allegations about the Workers' Party that have surfaced, a number of careful research projects on the numerous participatory forums established by the national PT administration in Brazil (2002-present) have shown that the veneer of radical democracy can co-exist with quite conservative policies.[12]   One of the lessons for critical scholars is probably that agnosticism, rather than what anthropologists call "ontological complicity," might be a better stance from which to evaluate participatory processes.

From the point of view of the community activists who first conceived of Participatory Budgeting, it is possible to analytically separate into features that have to do with conditions of communication, and those that have to do with empowerment. Nonetheless, we do so, on the basis of the version that was implemented by Workers' Party administrations throughout the 1990s and early 2000s. This was in dialogue with a "basic blueprint" of PB that had been circulating among PT networks and provided the starting point for most of the PB experiments that took place at the time in Brazil.[13] This is essentially closely modelled on the famous "Porto Alegre model," which was in place in that city from 1991 until 2004.

The Communicative Dimension of Participatory Budgeting

The democratic discussion on urban infrastructure projects are the feature of Participatory Budgets that best known. Designed to match the municipal budgeting cycle, processes were organized around a schedule of government-sponsored meetings that begun early in the year – around March or April, ending in November. All processes begun with assemblies, or open meetings, throughout the town or city, ending when a series of selected projects is forwarded for inclusion in the yearly budget. It is in these assemblies that most of the democratic discussion and deliberation takes place, and throughout the year assemblies have different purposes: early on they serve the purpose of informing participants about the process and about available resources; later, particular projects are proposed and debated, and representatives are chosen. The last assemblies are devoted to making the final decisions on the budget. Typically, PB processes drew large numbers of participants, with in some recorded cases, as much as 10% of the *total population* of a town coming to meeting at some point.

Much of the scholarship on Porto Alegre and on Brazil has alluded to PB Meetings as a public sphere. Indeed, self-rule in PB is conceived of as a deliberative process[14], closer to Habermas's theory than accounts of direct democracy or theories of radical democracy.[15] But there are significant differences. For Habermas, as is well-known, political self-rule takes place in two stages: first, a casual discussion outside institutions (in the "life-world"), and then a formalization of this debate in a public opinion that would influence the institutional actions. The key link for Habermas are social movements, which have the power to amplify demands in the public space. Porto Alegre's Participatory Budget changed this scheme within a characteristically deliberative framework. What for Habermas and others was a natural sequence of informal discussion-social movements-political system gave way to formal discussions bounded by procedures and a direct influence on policy.

The participatory budget proposal took the thinking behind the deliberative turn into a participatory institutional framework. The principal difference has to do with the link between public discussion and government. In a purely Habermassian sense, the influence of citizens on government is highly contingent on their ability to frame a problem and mobilize allies, and the separation between rulers and the ruled is wide. Participatory Budgeting, instead, aimed to rationally translate bottom-up demands and structure the nature of those communications according to procedures. Through participatory budgeting it is the administration that organizes public spaces ruled by deliberative frameworks.

In any case, Habermas offers a counterfactual standard against which we can evaluate the communicative dimension of participatory budgeting as a process of democratization of political will formation. For Habermas, the formation of political

will starts in a debate between individuals in public space, in the context of shared understandings of action-orientation. These take place under specific conditions: inclusion (nobody can be excluded from participation in a discussion that interests them), the absence of coercion (anyone can take part in the argument and counter argument freely without being subject to domination by others) and openness (each participant can start and continue the discussion on any relevant topic, including on the procedures regulate the discussion). [16]

By moving this critical framework to participatory budgeting, this gives us several counter-factual standards against which we can judge specific experiences:

1) What is the **intensity** of the participation? Who actually participates? Are there features of these participatory spaces that prevent them from being open to all?

2) How **inclusive** is the deliberation? In addition to presence at assemblies, do all citizens "deliberate"? Are there systematic biases about who speaks, and who decides? Is the technical language made accessible to all?

3) How **democratic** is the deliberation? What is the quality of decisions emanating from the participatory process? Do participants feel free to argue and whether they can open debate or discuss the rules governing discussions?[17]

The scholarship on Participatory Budgeting, in the Brazilian cases as well as in subsequent ones, has addressed the communicative dimension quite carefully, and "participant surveys" continue to be a global mainstay of the research effort.

The Empowerment Dimension of Participatory Budgeting

Self-rule, however, does not rest only in communication, which leads us to the second component of Participatory Budgeting, the coupling of the assemblies with administrative structures. We refer to this as the empowerment dimension. For Habermas, as well as for much of civil society theory, the link between deliberation and public policy takes place through the mediation of political and social organizations.[18] Participatory Budgeting, in contrast, sets up an institutionalized link. Relying on deliberative processes at the level of proposals (where they were valued for their reasonableness in non-coercive and egalitarian spaces), it coupled those proposals to government actions through real democratic reforms of the state apparatus. As we describe below this was more than the political will to respond to popular demands, but included a thoroughgoing administrative re-organization. These are three, less visible, institutional features of Participatory Budgeting, which call the (exclusive) conveyor belt, bureaucratic participatory reforms, and the forum of forums.

First is what we call describe as the (exclusive) conveyor belt. The conveyor belt image is meant to invoke the idea that there is a clear and transparent institutional link between popular will and government actions with a minimum of veto points or room for discretionary changes. The "chain of popular sovereignty" was protected from the moment decisions were made to their implementation. This, for example, included a yearly, easily accessible and understood "Book of Projects" that listed when projects were decided, how they were funded, and the timeline of their completion. Any technical changes or amendments that appeared along the way were returned to

participants. A new budget planning office was created that centralized management accounts and PB. Administratively, it stood *above* municipal departments. The idea was to "ring-fence" the capital budget from other sources of pressure. As an administrative body above municipal departments, this was a way to ensure impartiality in implementation.[19] And while budget was subject to approval by the municipal city council, the pressure and monitoring of large numbers of participants meant that it usually simply approved without modifications. This conveyor belt was the exclusive point of contact between government and citizens. All *other* channels for citizen demand-making other than the PB were essentially closed. Contact with the administration on the part of the population was made almost exclusively through the PB.[20]

Second, there were complex institutional arrangements to prepare the administrative machinery to *accept* these inputs, which we call the bureaucratic participatory reforms. In order for "participation to come into the administration" it was necessary to create new patterns and practices *within* the administration. In addition to the direct, institutionalized links between participation and government action (which implied centralization), there was combined with a decentralization of the administrative machinery. [21] It was recognized that bureaucrats and offices were used to dealing with different sorts of inputs than those developed at neighborhood assemblies by the city's poor residents. All municipal departments were required to create positions of community facilitators. Community facilitators were to be the "face" of each municipal department in each of the city's districts, and *required* to attend PB meetings with the express purpose of helping participants prepare technically viable projects and to be accountable for the ongoing projects. That is, they were responsible for serving as interface between community and technical experts within the departments. All community facilitators attended a weekly forum to participatory processes coherent. In as much as possible, "technical expertise was to be made subservient to the popular mandate, and not the other way around," as one of the facilitators described it in an interview in 1999.

Third, there was a higher tier of participatory structures that served an important "forum of forums" function. This was the Municipal Council of the Budget – it brought together representatives from various points of the process. Its purpose was to debate and legitimate the process as a whole. They dealt with unexpected events beyond the rules; they deliberated and decided on the rules of the process; they set broad investment priorities according to abstract social justice criteria; they acted as intermediaries between municipal government and local-level participants. This forum of forums provided the ability of participants to self-regulate the process and to have a second order debate about these general principles which finally would shape administrative public policies.

The Importance of The Empowerment Dimension

This second set of reforms connected the deliberative forums with government actions. They included the creation of a direct and exclusive link between forums and decisions; a set of changes in the bureaucracy to be able to process those decisions; and a forum for second-order discussions about general principles. This, in our view, was what made the deliberative forums on urban infrastructure, as novel as they were, into a transformative experiment that restructured social space. In it, we can glimpse at

political self-rule and the utopia of a political project based on participation. The EPG proposal itself, of course, distinguishes itself from some of the New Left Proposals of the 1960s with its insistence on empowerment as well as participation. Cohen and Rogers, in commenting on the EPG proposals in the 2003 volume, warn that it is important not to forget "power" when speaking of Global North-based proposals, because "they are as much about shifting the balance of power to create democratic conditions in the first place […] as they are about establishing specifically deliberative forms of democratic practice." [22]

If Habermas is the theorist with whom we associate the communicative dimension of PB, we can find some inspiration in the political philosophy of Rawls for thinking about this empowerment. Rawls is known for many contributions, but for the discussion here, his insights on the exercise of public reason are most relevant. For Rawls, to invoke public reason involves justifying a particular position by way of reasons that people of different backgrounds could accept. Specifically, it means orienting and justifying government action on the basis of verifiable and debatable abstract criteria of social justice.[23]

There are several interesting features of this empowered debate. First, it was a debate in which *all* had to participate. PB was the only connector between citizenry and local state and everybody, rich or poor, organized or unorganized had to debate their proposals within the new structured public sphere. Second, deliberations were structured by principles of social justice. The PB's decisions were weighed and sorted by social justice principles decided on by participants. The mechanism and description of the criteria are available elsewhere.[24] It solved the problem of arbitrariness in a democratic scenario, providing a public, revisable and deliberative reference to the reason-giving politics. Further, the presence of this social justice proceduralism endowed participants with an instrument that did not depend solely on the good-will of elected representatives, and that diminished the degree of discretion of bureaucrats. But it also bridged the gap between citizen's proposals at assemblies, always suspected of being biased by partial interests, and administrative outcomes that are demanded to fit with long run policies.

The consequences of the combination of communicative and empowerment dimensions were significant. First is that participants, through the Council of the Budget, were able to change the social justice criteria, as well as the rules of the process. They were also able to influence how much of municipal resources were dedicated to the process. They were, in other words, able to change the terms of their participation in terms of its relationship to government. The process provided a clear counterfactual against which the exercise of power could be evaluated, making the devolution into charismatic authority less likely. But second, and perhaps more dramatically, it allowed to administration to carry out a pro-poor policy under a legitimated political framework. Applying social justice criteria, administration gave priority to proposals arising from the PB, distributing the budget among the different municipal areas and setting up the management of institutional policies. PB thus offered a unique way to articulate participation and empowerment within modern political arrangements. For former Mayor Raul Pont, PB was an alternative to the historic dilemmas faced by representative democracy: how to articulate power with participation and social justice.[25] But in contrast to an earlier Latin American tradition on the Left, PB placed the political debate about emancipation and participation within representative

institutions. Only then it could be possible to create "the political and legitimacy to treat unequals unequally."[26]

Thinking of the empowerment dimension invites us to ask not only of the deliberative intensity and quality, but also examine the intensity with which participants can qualify their preferences and sort them, as well as the intensity of the connection between participation and the exercise of authority. The empowerment dimension has for us, four different, interrelated criteria against which to judge other PB experiments:

1) The **primacy** of the participatory forums. That is, if the participatory forums are not the exclusive point of contact between government and citizen, how important of a point of contact is it? Are there other ways of accessing government resources, and how important are those?

2) The **scope and importance** of budget issues that are subjected to participation. How much of the local budget is subjected to participation, and how important is that budget to social justice?

3) The degree of **actual participatory power** over the budget. Are there institutionalized, direct, and transparent links between participation and government action? What, if any, administrative reforms, are undertaken to prepare the staty apparatus to receive participatory inputs. What discretion do elected officials, technical staff, and bureaucrats have over the decisions once they are made?

4) Participation's **self-regulating, or constitutional** aspect. To what extents are participants able to determine the rules of participation? To what extent are they able to debate and determine social justice criteria that will order the process? To what extent are participants able to determine the reach of participatory influence over government affairs?

Much of the research on Participatory Budgeting, as we have argued, has tended to be less attentive to this second, empowerment, dimension. Part of the reason is that the blueprint that has traveled only includes the arrangements for the first, communicative dimension.

The Global Travel of an Isolated Device

In the 2000s, the idea traveled much further than Brazil. After implementation in Europe, and then the rest of Latin America, PB arrived in Africa, Asia, and North America. If the travel within Brazil had shown that Participatory Budgeting was successful, modifiable and not necessarily only good for redistribution, in this second stage the idea traveled as a success story of primarily 'good governance,' and one divorced from administrative reforms. The PT's innovation, in separating it from any identification of participation with social movements *and* associating it with a transparent and efficient administration made it an attractive device. The fact it seemed to work in different contexts also helped. But it was the process of translation, which turned PB into an instrument *separable from the empowerment dimension* that propelled the transnational journey in which PB crossed national, cultural, and political boundaries. By the late 2000s there were consolidated networks promoting Participatory Budgeting in all continents.

The numbers for the spread of PB are impressive. By 2005, there were roughly 200 PB

experiences outside of Brazil; by 2008, there were at least 500, and by 2010, the sum total of PB experiences is *at least* 1500. These experiences are today concentrated in Latin America and southern Europe, with now a strong presence in Northern Europe, and a significant number of cases in Africa, Asia, and Eastern Europe. North America has a half-dozen experiences at the time of this writing[27].

It has become commonplace for critical scholars to attack, in blanket fashion, participatory reforms that have become so fashionable as providing a friendly façade to neoliberal reforms while fostering a sense of responsibility on communities for problems beyond their control. Scholars have challenged the admittedly "heroic claims" made on behalf of participatory approaches[28], while taking "participatory boosterism" to task for failing to address questions of power, inequality, and politics.[29] As part of a new rationality of government that calls forward an entrepreneurial citizen, participation emphasizes some of the most important characteristics of that citizen: self-regulation, responsibility for own problems, and a non-conflictive partnerships with the state.[30] Because participation in government is seen as an alternative to conflictive mobilization and disruption, it is argued, it becomes part of a set of strategies that de-politicize conflicts and thus pave the way for ever-more aggressive neoliberal reforms of the state. Leal, who calls participation a "buzzword in the neo-liberal era," argues that it is no "coincidence that participation appeared as a new battle horse for official development" just when the impacts of earlier shock treatments were being felt.[31]

In our view, valuable as some of the specific critiques are, we do not find it useful to generalize from clearly hollow processes promoted by international agencies to all participatory institutions in all contexts as some authors do. Specific PB processes need to be evaluated in their context. We need to ask about the two dimensions we have alluded to earlier: about the intensity and quality of communication, and the intensity and quality of empowerment.   International toolkits only include the communicative dimension, as we have argued elsewhere, and the empowerment dimension is entirely dependent on local implementation. Because PB is, in this way, also generally defined as *external* to the state, rather than as part of it, the series of real democratic reforms and connectors between the communication and state actions tend to be "blackboxed." This does not mean, however, that the empowerment dimension is necessarily completely absent.

There is by now some analysis of the changing models of Participatory Budgeting around the world, in addition to our own research on its transformation into a best practice.[32] Experiences are quite diverse. Generally speaking, in global terms, the yearly cycle of participation remains important, and the participatory assembly remains the centerpiece of the experience. In many cities the division of cities into districts is absent, often leading to a process organization based on a single assembly.   The communicative dimension appears to be a constant (or at least more present), but the empowerment dimension varies widely.

The case of Europe is telling. Today, participatory budgeting is carried out in Europe in almost 200 towns or cities in a dozen different countries (and with a prospect of growth in the context of countries such as England, Portugal, Poland, Germany and Sweden). These are held in both small and large towns or cities: from Figaró in Spain or Borbona in Italy (with 1000 inhabitants) to Cologne in Germany, with its one million inhabitants. Some experiences link the process of PB with concrete spaces of decision making open to inhabitants, others are only consultative, and the public meetings become places for

merely expressing complaints, needs and hopes within a mechanism of "selective listening" where the final decision on spending priorities stands in the hands of elected officials. The methods used are also very diverse: from the selection of participants by means of lottery (random selection), to the participation of only association or NGO representatives, or open and general participation (as in most cases). Beyond this, it is not possible to identify common design principles behind European Participatory Budgets and differentiate them from other participatory mechanisms in Europe.[33]

There are, however, some clear national patterns. Most French and Portuguese experiences are aimed at "bringing citizens closer to government;" German examples are part of a more general modernization of the administrative machinery; some Spanish examples, above all those led by the conservative party, function on this principle. The English cases have to do with forms of public administration directed towards "community development", while the new Swedish experiences emerged in 2009 with the primary aim of reactivating social relations in the context of a welfare state threatened by severe cutbacks due to the economic crisis. Using the criteria for empowerment we have laid out above (primacy, scope/importance, participatory power, and self-regulation), most of the European cases would tend to not do very well on the first two, but with more variation on the latter two. In terms of *primacy* of the participatory forums, which would be whether the participatory forum is the only or the primary point for claims-making, in most cases PB would be just one connector between citizens and local state, not at all exhaust the set of communication between them. And, as with deliberative spaces, the formation of new political subjects speaking for the "whole" has often come into conflict with other protagonists and other channels.[34] In terms of *scope/importance*, which is the portion of the budget subject to the process and how important that portion is, a general feature of European cases is that these are small, discretionary budgets, and that urban infrastructure in itself does not have the valence that it did in Brazil. That said, in terms of participatory power, there is some interesting variation, with some cases, as the Spanish ones, for example, having greater institutionalized power than the cases that are described as more "advisory." Particularly in those cases where participation is larger and more public, there is something like a *de facto* participatory power. And finally, there often is some power of self-regulation. In many of the cases there are meetings with participants to decide on the rules of the process itself, usually at the outset. This self-regulation does not extend over the empowerment dimensions themselves (ie. whether the PB extends over this or that part of the budget, or what role the technical staff of the administration will play), but it does afford an opportunity for an abstract discussion of the general principles at play.

The reduction of Participatory Budgeting to its communicative dimension with limited elements of the participatory dimension to poses at least three dangers from the point of view of an emancipatory project. First, participation can become disconnected from the decisions that matter most to communities[35]. As we have mentioned before, there is a strong attraction for Participatory Budgeting to be implemented through the path of least resistance, and thus become connected to small and discretionary budgets. This could imply community effort and organizing around issues that are less pressing from the point of view of social justice, or worse, have the agenda of movements be dictated by the administrative possibilities rather than more autonomous conversations about needs.[36] A second possibility is that participation might come to be understood as a technical solution, rather than as a political method of emancipation, what scholars have sometimes termed the de-politicizing of participation.[37] A third concern is that a high

degree of discretion over participation's outcomes remains in the hands of others in this way; there is the possibility of hijacking to legitimate charismatic authority as well as the possibility of demobilizing of communities that invest time and energy into processes that become understood as shams. Along these lines, some of the studies on the experiences have indeed shown the usual weak impact they have had on the dynamics of the municipalities, even when the experiences have been devised with an emancipatory rhetoric in mind[38].

But the main risk of this is to turn Participatory Budgeting into a simple process of revelation of individual preferences, adjusting PB to the routines and the goals set by the New Public Management framework. This process could include a democratization of the actors who are able to participate in public policies, but participation is divorced from questions of social justice. One clear consequence of the transformation of PB into a best practice has been the marginalization of social justice principles that inspired the initiative in the first place. Its principal justification now has to do with good governance and the universal participation, which fits well with the neutral and technical language of PB. PB, in this way, comes to be one of many tools available to make for good governance, and its expansion, in many cases has taken place as a primarily a solution to political disaffection, in which the involvement of citizens becomes an imperative. 'Good governance', following Paul Wolfowitz, president of World Bank from 2005-2007, has come to signify those "things that enable a government to deliver services to its people efficiently," made possible by "combination of transparent and accountable institutions, strong skills and competence, and a fundamental willingness to do the right thing" [39]. From this perspective, PB becomes a good tool to promote greater accountability and give voice to citizens in public decisions, improving good governance from outside of the administrative machinery. Like many other tools for good governance, it is prized for its value-neutrality, its ease of implementation, and its ability to attract many different kinds of institutional stakeholders. PB is called for when there is a deficit in good governance. It is not surprising, then, that the PB, as a tool for good governance is sometimes also treated as redundant. Anwar Shah, a World Bank expert on Participatory Budgeting argues that in a democratic setting, where there is the rule of law, the PB can be a costly repetition of institutions of representative democracy. He argues that, "if there is a democratic process, participation, if there is rule of law, then participatory budgeting is not needed" Only in absence of democratic participation, "*then* one has to have some sort of participatory process to hear the voices that have not been heard"[40]. Shah's perspective is shared by many politicians in local governments elsewhere[41].

Can PB be a Transformative Reform?

To summarize our argument so far, we have shown that in a first version of Participatory Budgeting there were two important dimensions to its institutional design: a communicative, and an empowerment dimension. The former has to do with open, transparent and egalitarian communication. The latter has to do with the way that communicative inputs are actually linked to state structures through a second-order discussion on justice that allow participants to define the terms of their own participation. We specifically identified four dimensions of empowerment: primacy, scope/importance, participatory power, and self-regulation. Together this is what made Participatory Budgeting such good fodder for Empowered Participatory Governance proposals, and Real Utopian thinking more generally. The global travel of Participatory Budgeting, however, has been of an institutional blue-print based on only on

communication. Toolkits for global implementation often emphasize the yearly cycle of meetings, rules for open and transparent assemblies, and ways to run voting procedures on proposals. They say little about reforms to pave the way to make those proposals compatible with administrative logics, let alone mechanisms that would allow participants to define the terms of participation, or how to make those the primary interfaces. In the global take-up of Participatory Budgeting the communicative dimension is present but the empowerment dimension is more variable. In other words, looking around the many global cases there is a commonality around the set of meetings to discuss investments, but these are embedded within diverse national and political contexts that dictate the overall priority and purpose of the Participatory Budget. In its toolkit version, there is little about the empowerment dimension, and its take-up has more often been about good governance and citizen apathy than social justice or transformation and thus there has often been little success at implementing empowerment reforms. As we have already expressed, our worry is that PB becomes in the end a participatory experience that leaves citizens think collectively about irrelevant issues from the standpoint of the administration of power, as it has so often been the case with traditional participatory devices.[42] And to reiterate, the goal of the analytic tools we develop here is not to disparage existing experiences, but to provide clear counterfactual standards against which to measure them.

Faced with these limits, Graham Smith[43] invites us to think about participatory budgeting in relationship to past practices, rather than against alleged unfulfilled promises. Participatory budgeting can certainly be an improvement on previous participatory practices by expanding the political subject, establishing and guiding deliberative procedures, and at least, letting citizens take a position on budget cuts. Sintomer in his global research on PB points out that this is one of the few common denominators that we could find among the experiences in the world[44]. We ourselves have argued elsewhere that the democratization of civil society is important[45], but we should not assume this is automatic, as other studies have shown disappointing outcomes[46]. Recent research on the PB, for example, has analyzed its impact on civil society in Brazil[47], China[48], Africa[49] or Europe[50] with mixed results[51]. The democratization of civil society does have important implications in the organization of public opinion by incorporating a democratic reference in its formation. The fact that the PB had promoted a reform of the relationship between administration and civil society in democratic terms is no small matter. This is also not to say that cases are unchanging or that there are not ways for the empowerment dimension to be re-introduced to the broader discussion.

First, it is clear to us that one of the challenges for implementers and translators of PB is that there is a strong pressure for PB to be treated as an end in of itself. One of the changes with the global travel of PB has been the creation of dedicated PB networks (of which both authors of this paper are a part) that have tended, over time, to become dissociated from other discussions of participatory democracy or from discussions about cities and social justice. Relatedly, instead of a broader political projects (of which PB was one part) PB has become a platform in of itself. But the narrower and narrower discussion has less and less room for other concerns. The expert presentation of PB as value-neutral may feel like a necessity in order to introduce it in certain contexts, but that can limit the grounds for opening up the discussion again to speak of empowerment reforms. The line between that is drawn between expertise and advocacy may make it difficult for technical experts to make the claims on behalf of those more expansive moves. It is important, in our view, then, for PB campaigns need to connect with other

movements that are, in different ways, pressuring towards empowerment and democratic control of the state. The range of potential allies here is wide, but it is important to think creatively. In the case of the United States, for example, living wage activists, anti-police violence campaigns, and anti big-box retail organizers may not seem like immediate allies from the narrow point of view of shared interest in infrastructure investments, but are all very much working on empowering reforms of the state. Similarly, PB campaigns ought not to lose sight of desirable budgets to control, even if starting with possible budgets. Without the connection between communication and empowerment, the most sensible path for PB is for it to be implemented through the path of least resistance: often budgets that will find least resistance from bureaucrats or the powerful. In Europe, for example, PB processes have been over discretionary portions of budgets, usually urban infrastructure, not over larger portions that are destined to economic development, for example. In many cases, it appears too complicated to start with those, but it is important not to forget them.

But most importantly, in our view, is that PB processes need to look at the participants themselves for their utopian imaginings. In actual processes, there are myriad ways in which participants themselves tend to outrun the limits imposed on them. In our own research, no one has been more aware of the limits of experiences than participants themselves, who have sometimes pushed for an expansion of institutional features into enduring and meaningful connections to state structures. A common refrain in both European and US processes by social justice activists is like what one organizer relayed to us in the context of the process in Chicago:

> I don't care about the money. One million dollars is nothing to us, and it's a small drop of the city budget. And we can't really say we've ever really cared about 'menu money.' We're more interested in making sure we get the funding that we need for the projects that we care about for our constituents.

When asked *why* she was involved in the process at all, she went on to say,

> We see it [the PB] as an organizing tool. It will help our members learn more about the city budget and then we can press the alderman about other things he controls, and we can move on to tackle the city budget.

We raise, as a final thought, the issue then of whether PB can provide opportunities for citizens to go beyond its limits. PB *is* as a platform for learning. Political institutions are opened, in part, to a direct involvement of citizens, with tools and methodologies to facilitate this. Individual citizens finally come find an open space to express their needs and interests in connection with other citizens. Much of the time, though, as we have argued, though, this has happened in processes of low profile within administrations and decoupled from political projects or broader reforms. Perhaps this is the reasonable limit for a starting point in the current context, but this is not the limit of what participation can come to be. The logic of a participatory experience anchored in a direct process of decision-making *can* come to collide with institutional structures set up for something else. As the boundaries between "state" and "society" are not always self-evident, the question of where the citizen mandate ends and where expert prerogative begins with participatory decision-making, for example, can become a source of tension and potential point from which to push the boundaries of the process itself toward one in which participants decide on its terms and transform the horizons of actually existing states. The question for implementers and sympathetic scholars alike

is whether we have the ability to tap into the critical energy in ways that help expand the realm of the possible.

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[1] We are equal co-authors of this paper.

[2] And vice-versa. Several of us involved in the Real Utopias project have at one point or another intersected with the world of Participatory Budgeting, whether in Porto Alegre itself, at the World Social Forum, or at one of the other venues. The EPG proposal has been an important reference point in the Portuguese-language discussion.

[3] The "Porto Alegre Story" is well-known and well-documented. For one version of events in English, see Gianpaolo Baiocchi, *Militants and Citizens* (Palo Alto: Stanford University Press, 2005)

[4] Giovanni Allegretti and Carsten Herzberg, *Participatory Budgets in Europe* (Amsterdam: TNI, 2007)

[5] There are a few accounts now of the global phenomenon, but it's possible to find a general overview in Yves Sintomer, Carsten Herzberg and Giovanni Allegretti, *Learning from the South: participatory budgeting worldwide* (Bonn: InWEnt gGmbH, 2010)

[6] Jamie Peck, "Geographies of policy: From transfer-diffusion to mobility-mutation", *Progress in Human Geography*, 34, nº 6, (2011): 773-797.

[7] See http://www.thepeoplesbudget.org.uk/makethecase/conservative/ accessed May 16th 2012

[8] Grazia de Grazia, and Ana Clara de Torres Ribeiro, *Orçamento participativo no Brasil*. (Rio de Janeiro, Editora Vozes, 2002). Leonardo Avritzer, *Participatory institutions in democratic Brazil*. (Baltimore: Johns Hopkins University Press, 2009). Brian Wampler, "Can participatory institutions promote pluralism? Mobilizing low-income citizens in Brazil." *Studies in Comparative and International Development* 41:4 (2007): 57-58.

[9] Archon Fung and Erik Olin Wright *Deepening Democracy* (London/New York: Verso, 2003)

[10] Erik Olin Wright, *Envisioning Real Utopias* (London/New York: Verso, 2010)

[11] This is true of Gianpaolo Baiocchi's Participation, Politics, and Activism: The Porto Alegre Experiment and Deliberative Democratic Theory, *Politics and Society* 41 (2001): 43-63, but also true of very many subsequent studies on Participatory Budgeting.

[12] Gianpaolo Baiocchi, Ana Claudia Teixeira, and Einar Braaten. "Transformation Institutionalized? Making Sense of Participatory Democracy in the Lula Era." In Stokke C. and O. Thornquist (eds), *Democratization in the Global South: The Importance of Transformative Politics.* (London, UK: Palgrave McMillan 2013)

[13] Grazia, Grazia de, and Ana Clara de Torres Ribeiro. *Orçamento participativo no Brasil*. (Editora Vozes, 2002). Avritzer, Leonardo. *Participatory institutions in democratic Brazil*. (Baltimore: Johns Hopkins University Press, 2009). Wampler, Brian. "Can participatory institutions promote pluralism? Mobilizing low-income citizens in Brazil." *Studies in Comparative and International Development* 41 (4): 57-58 (2007).

[14] Leandro Avritzer, "New public spheres in Brazil: local democracy and deliberative politics" *International Journal of Urban and Regional Research* 30, nº 3, (2006): 623-37; Gianpaolo Baiocchi (2005); Luciano Fedozzi, *Orcamento participativo: reflexôes sobre a experiencia de Porto Alegre* (Porto Alegre: Tomo, 2001)

[15] Chantal Mouffe, *The return of the political* (London: Verso, 1993)

[16] There are different texts where Habermas describes the pragmatic conditions of communication. We recommend one of his later works, because he tries to answer some criticisms and he is specially clear about them, Jürgen Habermas, *Between Naturalism and Religion* (Cambridge: Polity Press, 2008. Chapter 3, 77-97)

[17] Dennis Thompson, "Deliberative Democratic Theory and Empirical Political Science" *Annu. Rev. Polit. Sci*. 11 (2008): 497-520; Lynn M.Sanders "Against Deliberation", *Political Theory*, 25, 3 (1997): 347-76

[18] See, for example, among others, Jean L. Cohen and Andrew Arato. *Civil Society and Political Theory.* (Cambridge: MIT Press, 1992.)

[19] Brazilian administrations are notoriously fragmented, with groups within political parties (or parties themselves) occupying, and exerting control over particular departments.

[20] Certainly it became impossible to access to funds, investments, or city projects outside of the participatory process.

[21] Navarro, Zander. 2002.

[22] Joshua Cohen and Joel Rogers. "Reason and Power," in Fung and Wright .

[23] John Rawls, "The Idea of Public Reason Revisited," *The University of Chicago Law Review* , Vol. 64, No. 3 (Summer, 1997), pp. 765-807. See laso Joshua Cohen, "Politics, Power, and Public Reason," Tanner Lectures on Human Values, University of California at Berkeley, April 11, 2007.

[24] There were four criteria: 1) Lack of public infrastructure, public services or public equipment; 2) Population in territory with scarce resources; 3) Inhabitants in the district level; and 4)

Citizens priorities at assemblies. To see a good explanation: Luciano Fedozzi (2001: 117-123) or Boaventura de Souza Santos, *Democracia e Participacao: O Caso do Orçamento Participativo de Porto Alegre* (Porto: Afrontamento, 2002).

[25] Raul Pont. *Democracia, igualdade e qualidade de vida: a experiencia de Porto Alegre*, (Porto Alegre: Veraz, 2003)

[26] Utzig (1996: 213)

[27] A good review of global travel (Sintomer et al)

[28] Cleaver 1999: 597
[29] See Harris, Stokke and Tornquist 2004; Harris 2005; Gaventa and Valderrama 1999; Hickey and Mohan 2004
[30] See Li 2005; Ong 2006.

[31] Leal, Pablo Alejandro, "Participation: the ascendancy of a buzzword in the neo-liberal era" in *Development in Practice*,17 (2007): 539 — 548. Pp543

[32] We describe the transformation into a best practice in our forthcoming book manuscript. A preview of the longer argument is available in Baiocchi and Ganuza (2012). There is today quite a bit of practitioner debate about a "minimum common denominator" kind of definition of PB. For discussion about this and about global models see: Giovanni Allegretti "Participatory Budgeting in Africa and Asia" in Andrés Falck and Pablo Paño (eds.) *Democracia participativa y presupuestos participativos*, (Málaga: Diputación Málaga and European Union 2011); Anwar Shah (ed.), *Participatory budgeting, Publics Sector Governance and Accountability series*, (Washington: World Bank 2007); George Matovu "Capacity building for participatory planning and budgeting in Africa" paper presented at the *Conferencia de Ministros de Gobiernos Locales*, Maseru (Leshoto), 30-31 Agosto (2006)

[33] For example, the comparative study coordinated by Yves Sintomer, Carsten Herzberg and Anja Röcke proposed a methodological definition, according to which the participatory budgets are processes characterised by the presence of five elements: (1) The financial or budgetary dimension is explicitly discussed; (2) they are organised at least at city level, or that of a decentralised district that corresponds to an elective institutional level (a neighbourhood council or investment fund would not be a participatory budget); (3) they are repeated processes (a single meeting, an isolated referendum on budgetary subjects would not be a participatory budget); (4) they have to include a certain form of public deliberation (closed meetings of sectorial councils would not be participatory budgets, and nor would a survey about what citizens think about the budget); (5) they need a dimension of accountability regarding the results of the process, providing feedbacks on implementation of co-decided public works. See Yves Sintomer; Carsten Herzberg and Anja Röcke, *Démocratie participative et modernisation des services publics*. (La Découverte, Paris : 2008).

[34] The deliberative process has the idea of broadening the spaces of political inclusion and it has generated a conflict between the old and the new protagonists. See Carolyn Hendriks, "Institutions of Deliberative Democratic Processes and Interest Groups: Roles, Tensions and Incentives" *Australian Journal of Public Administration* 61,1 (2002) 64-75.

[35] Giles Mohan 'Beyond Participation: Strategies for Deeper Empowerment' in Bill Cooke and Uma Kothari (eds.) *Participation: The New Tyranny* (London: Zed Press, 2001): 153-167.

[36] Uma Kothari 'Power, knowledge and social control in participatory development' in Bill Cooke and Uma Kothari, *op cit.,* 139-152

[37] Frances Cleaver. 'Paradoxes of Participation: Questioning Participatory Approaches to Development', *Journal of International Development*, 11, 4 (1999): 597-612

[38] Ernesto Ganuza and Francisco Francés, *El círculo virtuoso de la democracia: los presupuestos participativos a debate*. Madrid: CIS (2012); Yves Sintomer, Carsten Herzberg and Anja Röcke (2008)

[39] Paul Wolfowitz. *Good Governance and Development—A Time For Action* (Washington: World Bank, 2006): 3. Accessed by 04/11/2006. Available at http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/EXTPRESIDENT2007/EXTPASTPRESIDENTS/EXTOFFICEPRESIDENT/0,,contentMDK:20883752~menuPK:64343258~pagePK:51174171~piPK:64258873~theSitePK:1014541,00.html

[40] Interview with Shah 08/03/2009 in WB, Washington DC.

[41] Ernesto Ganuza et al., (2013)

[42] Gianpaolo Baiocchi and Ernesto Ganuza, "Becoming a Best Practice: Neoliberalism and the Curious Case of Participatory Budgeting" in Michael McQuarrie, Caroline W. Lee and Edward T. Walker (eds) *Democratizing Inequality*, forthcoming (2013)

[43] Graham Smith, *Democratic Innovations* (Cambridge: CUP, 2009)

[44] Yves Sintomer, et. al., 2010: 8.

[45] Gianpaolo Baiocchi, Patrick Heller, and Marcelo Silva. *Bootstrapping Democracy*. (Stanford, Stanford University Press: 2011); Ernesto Ganuza and Francisco Frances (2012)

[46] Ernesto Ganuza and Francisco Frances "The deliberative turn in participation: the problems of inclusion and deliberative opportunities in participatory budgeting" in *European Political Science Review*, 4, nº 2 (2012b): 283-302; Matteo Bassolli "Participatory budgeting in Italy: as analysis of (almost democratic) participatory governance arrangements" in *IJURR*, doi: 10.1111/j.1468-2427.2011.01023.x (2011); Julien Talpin, *Schools of Democracy: How ordinary citizens (sometimes) become competent in participatory budgeting institutions* (Colchester: ECPR Press, 2011); Bernhard Leubolt; Andreas Novy and Joachim Becker "Changing Patterns of Participation in Porto Alegre" in *International Social Science Journal* 59, nº193 (2008): 435-448.

[47] Gianpaolo Baiocchi et al. (2011)

[48] Baogan He "Civic engagement through participatory budgeting in China: three different logics at work", *Public Administration and Development*, 31, (2011): 122-131.

[49] Giovanni Allegretti, (2011)

[50] Ernesto Ganuza and Francisco Frances (2012); Julien Talpin (2011)

[51] Julien Talpin (2011), for example, analyzed the deliberative performance in three European experiences, concluding that they all showed a deficit in its argumentative dynamics. He highlighted the lack of plurality, argumentative exchange and learning. Ernesto Ganuza and Francisco Frances (2012) analyzed, meanwhile, the problem of inclusion and distribution of

deliberative opportunities among participants in eight experiences in Spain. The work unveiled a considerable bias in participation, making it difficult to present a plurality of views in participatory meetings. However, these biases, which overlapped with those detected by Talpin (high presence of politicized participants, ideologically akin to the government parties and a demographic profile of middle and upper classes, as in most participatory processes) blur when we consider the distribution of opportunities within deliberative dynamics. There, participants, independently of their origin, ideology, profile or skill, equally involve in deliberative dynamics, which allows us to suggest that, in spite of the argumentative shortcomings, the deliberative context would be accepted by participants and facilitate their involvement over the differences between them. Talpin suggested that in a non coercitive scenario, the deliberation has a chance if conflict is possible, that it, when different beliefs are met.