

Participatory Budgeting Today: Proliferation, Compromise, Diversification

by Dave Lewit

Over 25 years, the great democratic participatory budgeting (PB) experiment has spread from southern Brazil to more than a thousand municipalities all over the world. It has been adopted by cities, schools, housing colonies, student governments—wherever there are large constituencies who want their organizational money to be spent fairly. And yes, poor as well as middle class people turn out by the thousands to decide how to spend public money. Even children have participated (see box below).

In the past 16 years, participatory budgeting's successes (e.g., ending local corruption, redressing inequality) rang bells in hundreds of municipalities in much of Latin America and parts of Europe, Canada, Africa, Asia, and even Polynesia, thanks in part to the United Nations' Habitat program. Toronto Community Housing, for example, has been using PB for nine years to generate projects and distribute \$9 million (in 2009) for upgrading hallways, kitchens, and bathrooms; a computer resource center; playground improvements; and so on. A school district in British

Columbia and the cities of Guelph and Montreal have also used PB.

The classic case of Porto Alegre, Brazil, involving 50,000 residents and \$200 million per year peaked around 2004. Then the sponsoring Workers Party (PT) was voted out of the mayoralty locally because of corruption at the national level and disappointment with President Lula da Silva's bows to the market system. The incoming neoliberal "Socialist Popular Party" watered down and partially privatized the city's PB, renaming the process for "good government" and hoodwinking many poor participants by tying benefits



Participatory Budgeting in Chicago photo: Alison Fairbrothe

to limited "entrepreneurship."

The first municipal PB in the United States was undertaken this year, with 1600 residents of Chicago's 49th ward (northeast corner) deliberating and voting infrastructure innovations to spend \$1.3 million. This was the sum allocated to the ward's alderman, Joe Moore, to do with what he wanted—and he wanted the people to decide. There was much committee activity and research on this project that was limited to dealing with infrastructure. Like most PB programs so far around the world, neither revenue inputs (taxes, fees, state enterprises) nor planning were authorized as part of the process. The city also ruled out adding services and personnel to the citizens' spending authority.

A conference earlier this year in Berlin, Germany, revealed great variations in PB in different places. Seville, Spain, sought social justice and empowerment, sticking pretty much to the Porto Alegre model. Seeking modernization, Germany's project was mostly online, risking abuse, bypassing real (face-to-face) deliberation, and largely deferring decisions to city officials (budget "consultation"). Africans sought "good government" (minimizing corruption) and new ways of raising revenue. In Spanish cities, PB decisions were binding, not mere recommendations to the city government. Providently, most projects have welcomed evaluation and improvement in process from year to year.

In any event, a big determinant of PB success is the amount of money the participants have to work with—\$1 million versus \$200 million makes a difference in participation—as does whether the participants' decision is binding and implemented. Nevertheless, PB is giving millions of people around the world the experience that can turn hope into living democracy for hundreds of millions of their compatriots.

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Participatory Budgeting in a Nutshell

Jo Walkden, one of the teaching staff at the Walkergate Children's Centre in Newcastle, England asked Sebastian, Bethan, Chloe and Kieron—all under 5—"if they would like to design and choose the equipment for an outside play area for babies in the nursery." The process was broken down into small steps. First the children took photos of the equipment they liked. Then they took photos of the babies playing and observed the toys and types of play they liked. The children visited the Babies' Garden, which at that point was just a grassed area. Next they looked at their photos and thought about what the babies might like in their outdoor area. They looked at the catalogues and chose equipment they thought the babies would like to play with. They counted out the money for the equipment—an innovative way of dealing with the spending' side of the project. The equipment and structures for the garden were then ordered and installed. The children were able to see their project become a reality." (—Jez Hall, UK)