Empowering Citizens, Democratizing Democracy: The Constraints and Opportunities of Participatory Budgeting Processes in Brazilian Cities

ABSTRACT

Does popular participation democratize or legitimize political process? Are participatory processes absolutely necessary to improve the delivery of public services? Are participatory processes a tool for citizens’ empowerment? Do we need a participatory process to complement a representative democracy, or are they mutually exclusive processes? These are the underlying questions of this essay which explores the academic debates on popular participation in policy making with a particular emphasis on participatory budgeting mechanisms. Having as a backdrop several studies dealing with experiments of participatory budgeting in Brazil at a sub-national level, I develop a discussion on the apparent benefits of this innovative process, trying to assess whether a deliberative democracy tool either complements or undermines the representative democracy. Considering the scant evidence so far regarding what has been accomplished by participatory budgeting processes, I conclude with a reflective note calling for a dispassionate assessment of the lessons learned after more than two decades of relatively few, yet some relevant cases of participatory budgeting programs that have taken place in a number of municipalities of Latin America’s largest country.

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Introduction
Considering Brazilians’ reasonable degree of disenchantment with the performance of the liberal representative democracy,¹ their relative low trust in municipal governments,² and taking into account the questionable representativeness of the traditional political parties in Brazil (Bava 2004), there is little to argue why popular participation in public policymaking has generated so much hope, particularly in the last decade of the 20th century. The high expectation in relation to participatory processes derived from their potential to democratize state-society relations through citizens’ empowerment, to promote government accountability and transparency, to improve services delivery and to redress socioeconomic inequalities by redistributing public resources in favor of the poor. The apparently transformational character of participatory processes has even been validated by intergovernmental organizations, which are now promoting development models based on greater participation of citizens in public policymaking (Pearce 2004). Yet, more than two decades after the promulgation of the 1988 Brazilian constitution, which consecrates the principle of popular participation in politics, some questions arise about what has been accomplished in terms of politics and public policy through the adoption of deliberative democracy mechanisms in several Brazilian municipalities. In an attempt to enhance the understanding of these innovative steps for popular participation, my analysis concentrates on the participatory budgeting (PB), just one of the deliberative democracy tools. My aim is to expand the debate on whether or not PB is promoting better governance, reducing clientelistic practices, giving voice to the poor, and enhancing community well-being through a redistribution of resources that will protect the most vulnerable groups. Finally, is PB a mechanism that can enhance the representative democracy?

**PB: An Overview**

Setting the stage for this analysis, it is worth mentioning that we are able to delineate a picture of how and where the participatory budgeting process has been implemented in Brazil thanks to the Instituto Pólis, a São Paulo-based think tank. In its purest form, the participatory budgeting process emerged for the first time, with a relative degree of success, in 1989 when the Workers’ Party (PT) won the municipal elections in Porto Alegre, the capital of Rio Grande do Sul
state, located in Brazil’s south, the country’s most developed region.³ Other state capitals, including São Paulo, Belo Horizonte, and Vitória, as well as several smaller municipalities, have also had participatory budgeting experiences, with varied degrees of length and success.

Goldfrank and Schneider (2006) focus on the adoption and termination of the same policy mechanism in the state of Rio Grande do Sul. PB has also been adopted temporarily in the states of Rio de Janeiro and Espírito Santo and São Paulo.⁴ In the case of São Paulo, Brazil’s largest city, attempts to implement participatory budgeting initiatives during the administration of Mayor Luisa Erundina, and later with Mayor Marta Suplicy, were never able to consolidate.

From city to city there is also some variation regarding the participatory budgeting format, although the bottom line in all cases is to provide the population with channels of participation in relation to municipal budget decisions. Also in all cases, the local Executive (City Hall, or Prefeitura) is in charge of the process: residents are called by the Executive to participate in thematic assemblies, held in different neighborhoods, and after several rounds of discussions their delegates can cast votes to allocate city resources. The objective here is that citizens should be involved in the process and make budget decisions according to their priorities for city investments. Yet, it is important to note that only a fraction of city budgets everywhere are submitted to popular discussion. As observed by Melo (2009, 28), mayors, according to the Brazilian Constitution, have “the prerogative of both proposing the budget legislation and implementing expenditures as he or she wishes.” In cities where the participatory budgeting process is active, the mayor’s office prepares the budget and incorporates in it the priorities voted by citizens. The mayor then submits the entire package to the City Council (Câmara de Vereadores) which is constitutionally empowered to propose amendments. Since the amendments could alter the budget priorities voted by citizens, mayors can veto the City Council decisions. And this is the point where the participatory budgeting process becomes a source of tension with the city legislative branch, thus raising the question whether forms of deliberative democracy are compatible or not with the traditional representative democracy.

Although participatory budgeting can be identified as a growing trend, at least in Brazil, the experiences so far are relatively few in a universe of more than 5,000 Brazilian municipalities.
Data extracted from national surveys conducted by the Instituto Pólis,\(^5\) in addition to a more recent study by Selee and Peruzzotti (2009), indicate that from 1989, starting with the PB in Porto Alegre, there have been in Brazil at least 170 cases of participatory budgeting processes. Despite some positive public policy outcomes and the international recognition it gathered, the success in Porto Alegre did not generate a great spillover effect. Existing literature provides several explanations for the limited impact of the Porto Alegre experience on other Brazilian cities. It is argued, for instance, that the success of participatory budgeting in Porto Alegre is not replicable because that capital city has some unique characteristics such as social capital, a concept developed by Putnam (1993) that encompasses community trust and associational activity (Setzler 2002). Other authors have argued that shortage of resources at the municipal level and low levels of education among the population in general, both considered great obstacles to citizens’ mobilization, have prevented the adoption of participatory budgeting. There also have been claims that it is to some extent contradictory to expect popular participation in a top-down process such as participatory budgeting. In cases where PB initiatives were adopted and failed, explanations focus on the existence of entrenched political clientelism and conflicts between the Executive and the city legislators.\(^6\) Finally, power issues and political interests may be the greatest impediment to the implementation of participatory budgeting processes: considering the Brazilian tradition of mayoral domination in city affairs, the PB only will occur when the mayor decides to delegate some level of authority to citizens.

While these explanations account for the problems faced by the participatory budgeting process they don’t, however, elucidate why the process has never been a major society’s priority. One possible explanation is regarding the PB provenance: when adopted, the mechanism is usually state-led and not a product of grass-root movements. As observed by Melo (2009, 22), participatory arrangements are in general implemented as “a mechanism for the mayors to mobilize support for the initiatives. Popular participation was seen as the means through which innovative mayors could overcome legislative opposition and, considering the vast powers that they enjoy, gain legitimacy.” Still absent in the majority of Brazilian municipalities, the participatory budgeting mechanism, in places where it has been adopted, was able to mobilize some society
groups, but not necessarily in great numbers. Although data may vary from author to author, a relatively recent study about PB in Porto Alegre calculates that in total 100,000 people already participated in the process, while in another state capital, Belo Horizonte, the number is close to 200,000. Considering the cities’ populations (Porto Alegre, 1,420,667 million; Belo Horizonte, 2,412,937 million), the PB mobilization while not negligible, is not impressive either. One serious problem emerging here is the likelihood of a process lacking legitimacy because, and as noted by Melo (2009), the PB delegates, that is, those who vote on city budget priorities, are in general chosen by a very small number of residents; in other words, delegates are not representative of a large constituency.

Considering the problems and controversies and taking into account more than 20 years of PB experiences in the largest Latin American country, I see sufficient reasons to explore new ways to think about what participatory programs can do and cannot do. Instead of inflammatory debates, particularly in Brazil, between those who tend to glorify participatory budgeting and those who tend to disregard it entirely, an analytical approach should center on the public good, which is not a concern exclusively confined to the Workers’ Party leaders. If we take participatory budgeting as a measure of commitment to the public good, we will observe that the same commitment was also a platform of other political parties which implemented participatory budgeting.

PB: Accomplishments and Limitations

In a previous study on urban development in Brazil, I analyzed the Porto Alegre PB from a very narrow perspective, that is, as an urban planning instrument (Vassoler 2003). Considering the rapid pace of urbanization in Brazil, taking into account how ill prepared city governments are to deal with a large influx of new urban dwellers and in light of the dimension of urban poverty – particularly in the country’s large metropolitan areas – it is to some extent a puzzle why politicians pay very little attention to the need of organizing the urban space, protecting the urban environments, and taking the essential public services to the entire city. Branding urban planning as an instrument of the elites has been a convenient way to avoid the implementation of local
public policies that won’t eliminate – yet certainly they can mitigate – the hardships of the poor. Since the PB in Porto Alegre allowed participants in the neighborhood assemblies to discuss the priorities of public investments, and since City Hall took into account their voices, PB in fact became an urban planning tool. My contention was that with the participation of society, the local government took the process of urbanization into its own hands, and therefore was in better condition to combat its negative effects. A deeper knowledge of the city and its problems undoubtedly gave an edge to Porto Alegre’s government.

Several accounts indicate that the Porto Alegre urban planning process had a positive impact on local public policies when implemented under PB. Koonings (2004), Menegat (2002) and Santos (1998) present comprehensive narratives highlighting favorable outcomes of urban policies implemented under PB. Menegat particularly brings a considerable set of hard data to show the progress made in Porto Alegre regarding the amount of green area per resident, sewerage network coverage, investments in low-income housing projects, solid waste recycling and other efficient methods of garbage collection and disposal. In his analysis of PB in Porto Alegre, Santos has claimed “striking material results,” asserting that while in 1989 only 49% of the city’s population had access to basic sanitation (water and sewage), by the end of 1996 “98% of households had water connection and 85% were served by the sewage system.”

In the same study on urban development, I brought a comparison between the governance strategy in Porto Alegre under PB and another successful urban planning paradigm that has been in place for more than four decades in the city of Curitiba, capital of the state of Paraná. The striking difference between the two is the absence of participatory budgeting in the latter. Yet, it is important to mention that the urban development process in Curitiba has not evolved without some degree of public scrutiny: it has relied on the input of neighborhood associations and community-based projects. Thus, the Curitiba governance process – although lacking the participatory budgeting, has evolved with some degree of society’s participation. For instance, and for several years, Curitiba City Hall was monitored by the Fórum de Acompanhamento do Orçamento, roughly translated as “forum for budget follow-ups,” coordinated by the local association of economists. And the fact that the relatively successful
The urban planning process in the capital of Paraná began during times of authoritarian politics should not invalidate its merits. Even lacking a participatory component, Curitiba’s urban planning process evolved with the input of several society groups. The consultation mechanisms were not exclusive to Curitiba. Although little publicized, under the military regime, mayors in a handful of cities also introduced urban planning programs that called for citizen participation. This participation took the form of consultation rather than direct involvement in decision-making, which is precisely what has been observed in Curitiba.8

The different approaches to urban planning in Curitiba and Porto Alegre have generated similar results in the end: improvements in the delivery of services and the extension of services to the city’s peripheral areas. In both cases, governance strategies have advanced – albeit in limited ways – the idea of making public spaces and services accessible to the poor. An examination of the public policy implications of the urban development process in Curitiba goes well beyond the scope of this paper. In any case, there is a considerable amount of literature focusing on that particular urban experiment. The comparison, however, provides elements to reflect whether the adequate provision of city services, and in the case of Curitiba, the rescue of an essential urban service such as public transportation, does require a participatory budgeting process.

Beyond its functional aspects, PB has been imbued with much loftier goals, among them a tool to democratize democracy and to empower the people. Previous scholarly work focusing on the Porto Alegre case has stressed, and rightly so, the shortcomings of democracy in Brazil, a poor state of affairs springing from an exclusionary model of development responsible for huge socioeconomic inequalities. Along these lines, several authors put their hopes on PB as a tool to deepen democracy or reduce the “democratic deficit” (Avritzer 1999; Schugurensky 2004; Koonings 2004; Wagner 2004). There are obvious difficulties to testing these claims, starting with the conceptions of “democratizing democracy” and “empowerment.” Yet, even if eventually a consensus could be reached regarding the meaning of both phenomena, there would be another stumbling block regarding how to measure them and how to know whether they are occurring or not. Assuming that “democratizing democracy” means the addition of more voices to the decision-
making process and that “empowerment” is political consciousness, the next task is to try to understand how we gauge whether the democratic deficit has been reduced. How do we know whether people feel they are more empowered now than before? Considering the nature of participatory programs, participation should offer some degree of measurement, but – again – there are different meanings for participation, and data regarding the number of participants in PB assemblies are quite arbitrary.

Working with data provided by the city government, Menegat (2002) asserts that in a decade between 1990 and 2000 about 150,000 people were involved in different stages of PB in Porto Alegre, and that the maximum number of participants in the annual PB cycle was 28,000. In the state of São Paulo, the Instituto Pólis estimates that in twenty-two municipalities under PB between 1997 and 2000, an average of 47,000 people took part in the process every year. Yet, the figures alone are not necessarily representative of what this type of experience may accomplish. Likely, if the experiences with participatory budgeting have not mobilized the population in larger numbers the reasons may not be found in the process itself, but rather on patterns of citizens’ participation in public affairs, which in Brazil is relatively low. According to a 2008 survey conducted in 22 countries of the Americas, Brazilians display a below average level of citizen attendance to municipal meetings (9.4%), in comparison to 16.8% in Dominican Republic, and 14.6% for both United States and Venezuela. Further, another study shows that social capital, understood as interpersonal trust and society’s ability to solve problems in community, is relatively low in Brazil as it is low in Latin America in general. Thus a qualitative analysis, in opposition to a purely quantitative one, would focus less on numbers and much more on PB as a learning process and on its spillover effects, but not necessarily a spatial or geographic contagion (from city to city), yet the possibility of acquisition and transmission of knowledge. Every time a government policy calls citizens to get involved in public affairs, those who participate will find lessons to learn, and the knowledge acquired is a form of empowerment that can be transmitted. Equally, democratic institutions tend to become more robust when they are scrutinized by the civil society. Thus, however small the number of participants in PB, both in Porto Alegre and elsewhere, one would expect that participation in the program may have offered
lessons in democratic politics – a plus in any society. Yet, measuring how much the democratic deficit has been reduced remains highly problematic. And the caveat is that by the same token, we could see “deepening democracy” and “empowerment” in other democratic mechanisms as well, such as referenda, plebiscites, citizens’ councils, and civic education campaigns.

**Conceptualizing a Complementary Model**

Brazil’s transition to democracy in the mid-1980s encompassed not only the return of electoral cycles and the multiparty system that had been suspended by the military regime, but also its transition reestablished a free press after years of censorship. In fact, democratization and the new constitution have institutionalized mechanisms for changes both in state-society relations and intergovernmental relations. Along these lines, a major institutional change is the process of political, fiscal and functional decentralization, which in Brazil, according to Souza (2001) “has been pursued at an unparalleled pace, both in the country’s experience and in comparison to other developing countries.” Mandatory financial transfers from federal to subnational levels of government have provided municipalities with a greater degree of autonomy in terms of policy programs, thus changing the previous balance of power between federal, state and municipal spheres. The return of free elections at all levels allowed for some progress in terms of vertical accountability, as the civil society has the ability to either elect or reject candidates.¹²

Although assessments of the process of decentralization more than twenty years after its implementation diverge in terms of what has been accomplished, it was enshrined in the constitution in response to society’s demands for democratization of governmental institutions and the engagement of citizens in government decisions. Thus decentralization was adopted – at least in principle – to redress the undemocratic nature of politics and public policymaking, and correct the distortions generated by authoritarianism. Also in principle, decentralization was envisioned as a tool to put governments, particularly local governments, under civil society scrutiny. The expectation was also that the legitimacy conferred by elections would make city governments more responsive to the citizenry.¹³ Political decentralization was institutionalized
with the introduction of mechanisms such as plebiscites, referenda and *iniciativa popular* (popular initiative), which allows citizens to propose bills (*projetos de lei*) or constitutional changes if a given number of signatures is achieved. Additionally, several constitutional articles open the possibility for civil society’s influence on government decisions through neighborhood associations such as citizens’ councils for the management of public policies (Martinez and Lotta 2005).

Brazilian constitutional lawyers agree that what the system established by the constitution is conducive to a semi-direct democracy, as it combines elements of both a representative and a direct democracy (Fernandes 2006). As mentioned above and elsewhere, there have been both positive and negative evaluations about the results of decentralization. At the same time, the merits of the representative democracy are being questioned in the face of the evidence that political parties do not constitute the most adequate channels to represent the interests of a complex society. Equally, there have been mixed assessments about the impact of participatory budgeting on citizens’ empowerment and on the reduction of the democratic deficits, in part because of the measurement problems, and also because the participatory experience in Brazil has been limited so far.

**Conclusion**

Despite the scant evidence about the real impact of participatory budgeting process on the quality of democracy, it seems plausible to argue that its expansion would be beneficial in terms of strengthening the country’s democratic institutions. Brazilians’ low levels of engagement in city affairs and the country’s low social capital (as demonstrated by surveys) are not sufficient reasons to dismiss participatory processes, but rather to promote them. Nobody is surprised in Brazil anymore with the lack of credibility affecting the political elites and certain government institutions. Taking into account the mismanagement of public funds, nepotism, the persistent socioeconomic inequalities and social injustice, it is natural for society to foster suspicion towards politicians, a mistrust that may negatively impact the calls for participation. Additionally, it is
important to note certain characteristics of the Brazilian political culture in which participation in politics is valued most by those segments of the population with higher levels of education.\textsuperscript{14}

Then when we consider all factors that may play a role on the level of citizens' participation in politics, it seems much more plausible to argue that the problem is not the participatory budgeting per se, but the quality of democracy itself, a status highly compromised by the serious education gaps in Brazil. While the progress in Brazil is true and visible in the realm of vertical accountability, there is a long a way to go in the field of horizontal accountability.\textsuperscript{15} Both are, notably, inseparable components of a representative democracy. Vertical accountability provides citizens the opportunity to reject opportunist politicians and reward those officials who display a commitment to the public good. Horizontal accountability will assure that those in power who violate the public trust by neglecting the public good will be punished. Working in combination, both systems should increase society's confidence in the government institutions. If this were the case, citizens would feel more confident and more willing to embrace participation. Therefore, public officials truly committed to the common good should not fear popular participation – in fact, they would note that participatory processes may legitimize their power.

Notes

\textsuperscript{1} According to the Latinobarómetro surveys (2004), 54% of Brazilians responded that they “would not mind a non-democratic government in power if it could solve the economic problems”; among those interviewed, 65% believe that “the country is governed for the benefit of a few powerful interests.”

\textsuperscript{2} According to the AmericasBarometer Insight Series, Brazilian citizens display a below average level of trust in municipal governments; conducted in 2008, the Latin American Public Opinion Project (LAPOP) interviewed 38,535 residents from 23 countries. They were asked: “To what extent do you trust the Municipality?” While Chile and Colombia show the highest levels of trust with 59.5 and 58.8 points, respectively, in Brazil that level is 47.1, below the 49.9 points average in the region. The survey interprets the results as demonstrative of an equally low level of trust in democratic institutions in general. See Montalvo (2010).

\textsuperscript{3} The city of Porto Alegre is considered the first successful case of PB. Previously, in 1986, PB was implemented in another state capital, Fortaleza, but the program failed at its inception. See Souza (2001).


\textsuperscript{5} See Carvalho et al. (2002).

\textsuperscript{6} See Souza (2001) for a comprehensive analysis of PB weaknesses and strengths.
The Instituto Pólis shows, for instance, that between 1997 and 2000 in the 103 Brazilian municipalities which adhered to PB, mayors were distributed as follows: 52 (PT); 13 (PSDB); 11 (PSB); 9 (PMDB); 8 (PDT); 3 (PV); 3 (PPS); 2 (PFL); 2 (PTB). See Carvalho et al. (2002).


The average citizen participation in municipal meetings in the Americas is 10.5%. Survey conducted by the Latin American Public Opinion Project (LAPOP). See Montalvo (2008).

See Cruz: “Social Capital in the Americas: Community Problem-Solving Participation,” *AmericasBarometer Insights*. According to Putnam (1993) higher levels of social capital contributes to the enhancement of democratic institutions and to the promotion of more efficient governments.

Vertical accountability provides citizens the opportunity to punish poor government performance through regular electoral cycles (Goetz and Jenkins, 2004).

Yet, there is also the assertion that those writing the constitution promoted the process of decentralization as a way to prod local interests and protect the power of local elites.


This is essentially a system of checks and balances, or oversight powers, where one public authority investigates the activities of another (O’Donnel 1999).

References


