

# **‘The return of the caravels’. Participatory Budgets from South America to Europe**

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## **1. Introduction**

Over the last 6 years, the diffusion of decentralised cooperation and the efforts of the *Movement for a different Globalisation* to spread awareness of some experiences in the democratisation of urban management in Latin-American cities have promoted the birth of the first experiences of Participatory Budgets (PB) in Europe. These are experiments to involve citizens in the construction of spending priorities for the local administrations through the organization of annual cycles of public meetings (open but regulated) and the predisposition of other tools for supporting the gradual improvement of choices to be inserted in planning documents.

Over the last 15 years – especially following the notoriety acquired by experiences such as that of the Brazilian city of Porto Alegre – many international institutions (*in primis* UNDP, Habitat and the World Bank) have contributed to spreading awareness about the most significant Latin-American experiences; and the European Union has even funded exchange and emulation projects, launching a Network (No. 9 of the URB-AL cooperation Programme) entirely dedicated to the issue of Participatory Budgets. The mutual learning during the programmes of dialogue and equal cooperation between cities was the main factor that allowed ‘*the return of the caravels*’. That is the ‘disembarkation’ and the taking root on European soil of creative innovations linked to urban management that saw the light in cities in the Global South, stimulated by a ‘virtuous rethinking’ of land management models often borrowed from Old World Countries. These Latin-American practices have centred on the utilisation of ‘urban conflict’ (rather than on the search for ‘social peace’) interpreting it as a source of creative solutions, capable of drawing on the wealth of the different stratifications in cities without mortifying them through homologating approaches. In this way, they have tried to put different sectors of society into dialogue with each other, and to also involve ‘antagonistic’ movements in the experimentation of innovative management policies.

This avoided the re-emergence – in relations between local institutions and civil society – of that aspect of ‘asymmetry’ that characterises ‘vertical subsidiarity’, that is the relations of reciprocal complementarity between local authorities, Provinces, Regions, States and supranational institutions. Usually, in fact, with the globalisation of problems comes a ‘localisation of solutions’, but with the decentralisation of responsibilities there is rarely a parallel decentralisation of resources and decision-making powers to deal with them. Outsourcing and the externalisation of social responsibilities become the rule; but rarely are decisions on land-use changes and public policies shared with civil society. Quite the opposite, privatisation tends to leave larger and larger margins of power to those that end up managing ‘common goods’ (that one time were also ‘public assets’, in terms of both ownership and management).

Many examples of PB have instead pointed to an inversion of the mechanism: the Local Authorities make the first move, offering citizens spaces for decision-making, and in exchange try to obtain the commitment of residents and their organisations to undertake innovative policies centred on new forms of responsabilisation towards the common ‘assets’

of an area.

Two main reflections underpinned this approach that gave life to a real urban political movement, centred around the World Local Authorities Forum for Social Inclusion:

1) The first is that the objective of sustainability is not reached only through actions aimed at realising its principles (reduction of the ecological footprint, precautionary principle, energy saving, closure of natural cycles, protection of biodiversity and sociodiversity, etc.) but requires citizens to consciously adhere to those principles, to change cultures and lifestyles;

2) The second concerns 'good governance'. Despite the fact that many South American states find themselves subject to the impositions of structural adjustment, and their cities are compelled to adopt decentralised transparency and reorganization procedures aimed at the attainment of financial accountability, stability and credibility, 'good governance' has not been 'pivotal' to the practices of PBs. On the contrary, in most cases it has not been 'the aim' of the adoption of participatory routes, but a means by which to spread a culture of democratic alternatives to those traditional forms of 'governance' responsible for a 'low intensity' democracy, and for serious threats to the 'demodiversity' of the planet (De Sousa Santos, 2002).

This text shall try to examine some features of the rooting of PB practices in Europe, concentrating on a few countries marked by a greater number of urban experiments. The excursus proposed – that draws on the preliminary evidence of ongoing research at the TNI in Amsterdam<sup>1</sup> - can only be a work in progress, given that in Europe we are often in a non-advanced phase of dynamic experiments subject to rapid and consistent changes. We shall also try to offer a contribution to answer point g) of the 'call for papers' of the N-Aerus Conference.

## **2. The Participatory Budget in a panorama of ongoing transformation**

In a framework of 'asymmetrical subsidiarity' increasingly marked by the phenomena of the growth and articulation of the role and structure of cities, the tendential growth of decision-making tends to ally itself almost naturally with the creation of space for the direct participation of citizens in decision-making. Involving citizens in discussion about choice is almost a consequent necessity to the *crisis of thought and of sole rationality*: in order to provide differentiated answers to the growing complexity of social demands, to cope with the need for continuous cuts in public investment, and to rebuild the trust of citizens in politics. A factor motivating the opening up of local government towards participative paths is also the push given by privatistic conceptions of the New Public Management, that have tended to favour a new consideration of the role of citizens-customers-consumers, especially in relation to the utilization of monopolistic services where the 'exit' option (= going elsewhere) is not practicable.

It is mainly in peripheral or developing countries that practices have begun to develop that can broaden and enrich the experiences of simple consultation of citizens already in use since the 70s in some European cities. The multiplicity of channels through which the experiments have received attention in the old continent has been the root cause for the different perceptions with which the experiences have been observed in the different countries. This multiplicity is also responsible for the different 'prevalences' (on political or technical issues, on communication mechanisms, on aspects of institutional modernisation or on those linked to the ability to fight social exclusion) that the first critical emulations in Europe have shown. In particular, in Europe the issue of Participatory Budgets has gained a central place in discussions on decentralisation, on governance and on the reform of relations between local

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<sup>1</sup> See the Working Paper "Between efficiency and local democracy growth: the challenge of Participatory Budgets addresses the European context" (TNI, 2004) by Giovanni Allegretti and Carsten Herzberg, financed by the TNI of Amsterdam. Special thanks to Dr. Herzberg.

contexts and 'global flows'. It has also allowed us to rediscover, develop and enrich 'autochthonous experiences' independently developed in different Parts of Europe, creating dialogue between them and sometimes 'hybridising them' constructively and with the management practices and routes tested in the countries of the Global South.

To date, there is no universal way of describing Participatory Budgets, also because there are no reputable models, but only different families of experiments. The name is not an indispensable factor. Amongst its objectives may be the ethical growth of the institutions, an increase in the civic spirit of residents and in their ability to maturely interpret the complexity of the local territory, but also the rebalancing of the distortions generated by the market society, the extension of 'rights to the city' to all those who inhabit it and the spreading of forms of 'negotiated solidarity' (Abers, 2000) that allow the fair redistribution of public resources in favour of the most culturally, socially and economically disadvantaged categories.

### **3. France**

The republican tradition of the French has always been dominated by the idea that elected members represent the general will in the best possible way. Starting from this perspective, it was in high places that the idea of an official policy took a stand on "proximity democracy". In 2002, the "Vaillant" Law obliged the creation of District Councils in all cities with over 80,000 inhabitants. In the majority of cases, their role is merely advisory and links them closely to city institutions, not considering them to be autonomous spaces for the self-organisation of residents. Furthermore they deal with micro-local issues concerning the management of transport, housing, urban planning, safety, use of public spaces, etc. In some places, 'district portfolios' have introduced more 'solid', but not more radical, forms of joint management at the micro-local scale. Citizens, gathered in open assemblies or through meetings of representatives named in a different way, may decide upon apportioning a sum of money (usually marginal and often subject to the careful consideration of the District Councils) towards infrastructural investments or for specific local projects.

In this context, the PB has presented itself as a strong political-ideological project promoted by some parties of the Parliamentary Left, in the effort to halt the local haemorrhaging of votes through a concrete struggle against the traditional 'centralism'. The point of reference is Porto Alegre that - in times of neoliberalism - has become the symbol of a possible alternative way to govern. Its experience has spread through a series of movements, particularly the international network *DRD - Démocratiser Radicalement la Démocratie*.

Synoptically the French cases show three main objectives:

- 1) The enhancement of public management and 'local governance', throughout integrating daily experiences in local politics and promoting horizontal links between social actors.
- 2) The transformation of social relations. PB often find especially fertile ground in cities that have a high incidence of the most disadvantaged social strata (particularly in the Metropolitan area of Paris). The objective of social dialogue is to create consensus and to strengthen conviviality, solidarity and to defuse social tensions through a constructive use of 'conflict'.
- 3) The third objective directly refers to the issue of participatory democracy, trying to underline the difference between it and the simple 'proximity politics' of the traditional republican approach. What is lacking when trying to reinforce this perception, however, is a true recognition of the role of participating residents as joint decision-makers.

Participation often tends to be directed towards investments in the urban area, discussed during local assemblies held in the various districts and in the complimentary theme meetings held on issues of transport, social issues, education, the environment etc. Another trait linking the different French experiences together is the fact that participation is founded mostly on the creation of open assemblies. At the micro-local level, citizens may make some decisions

about district funds, but at the higher level of municipal budgets discussions are only consultative. The official acceptance of the requests depends above all on political will.

Nowadays, among the cities experimenting processes of PB there are Saint Denis (pop. 85,000), Bobigny (pop. 45,000), Morsang-sur-Orge (pop. 19,500) and the OPAC in Poitiers, a public agency that manages the entire social buildings park (7500 lodgings) and involves tenants in deciding part of the investment projects (17%).

Even though the dialogue between delegated democracy and routes of direct democracy is still not totally smooth everywhere, in France the PBs structure allows forms of deliberation where the decision-making power is shared between the citizens and the municipality, thanks to *intermediating bodies* that gather together a small number of delegated participants in order to examine and to detail arguments and requests to be made in larger assemblies. In France, sometimes, citizens are even consulted on the setting up of the rules governing the participatory processes. Over time, in some cities, independent Observation Posts have been set up to imitate the example of similar structures developed in Cameroon. They guarantee increasing autonomy for citizens to control the efforts made by the institutions to carry out the proposals of residents, that they can follow throughout the entire course of approval and realisation, reporting and explaining any delays on appropriate independent magazines.

To date, one of the biggest problems is the low number of participants. It seems still difficult to profit from the participation in the debates on the entire Council budget because people have still not managed to give it a precise function. Furthermore, often the procedures for hierarchizing the proposals are confused, and this can weaken the credibility of the process.

#### **4. Germany**

Germany, to date, represents the European country in which there have been the greatest number of experiences of PBs (between 15 and 20 according to the interpretation chosen). It is, furthermore, the place where experiments have lasted the longest and where there has been the greatest number of wide-ranging political coalitions promoting them.

The context in which the first experiences took root was characterised, especially, by the progressive loss of the social legitimacy of political parties. Reunification pushed many of the 16 Länder to open up the regulatory framework to a more active involvement by residents in the formation of political decisions. The various ‘Constitutions of the Councils’ made it possible to directly elect mayors, to liberalise the preferences given to the municipal councillors, to introduce popular initiative laws and the referendum. The idea of the “Bürgerengagement” (the engagement of citizens through associationism or directly in public services) had meanwhile been growing in importance and diffusion, often taking the form of volunteer work by residents for the benefit of the council and the local community. The purpose is to optimise the use of public resources and to contribute to restoring the hopeless economic situation of German cities, many of which are provisionally administrated by the Länder because they weren’t able to achieve financial equilibrium.

The influence of the financial crisis closely linked the development of PBs to the modernisation of the local public administration. Transparency became the dominant objective; the need to make the residents truly participants in public decisions (especially through the consultation of citizens as ‘users’ or ‘consumers’) was secondary almost everywhere. Therefore these are ‘cut off’ processes that view the Participatory Budget not as much as a decision-making body, but as an instrument that should provide extra grounds for the optimisation of the decisions by the City Councils. In this perspective the most frequent reference point is not Porto Alegre, but rather Christchurch, New Zealand, a ‘good governance’ prize winner (1993).

A similar framework explains why, in Germany, the main actors of the PB are the foundations and organisations working on the issue of the institutional modernisation. The greatest effort

and the most visible at the national scale is that of the Bertelsmann Foundation. Together with the Hans Böckler Trade Union Foundation and the KGSt Local Government Research Institute, in 1998 it launched a preliminary PB pilot project that included 6 cities, concentrated in the area near the Black Forest. In 2000, the Bertelsmann Foundation started up a second pilot project together with the North-Rhine Westfalia *Land* centred on 6 different cities. In this case, promoted with incentives offered by a public institution at the supramunicipal level, the existence of a resolution passed by the City Council became an indispensable condition for legitimising the setting up of the PB. Unlike in other countries, the Participatory Budget was still not at the centre of the interest of civil society, nor was it characterised as a political project owned and carried forward by individual parties. The situation began to change after a representative of the Council of Porto Alegre and a member of the NGO *Solidariedade* (made up of popular representatives of Participatory Budgets from the same city) made an information tour of more than 18 cities. From that moment on, PBs started to be requested and defended by popular German organisations and movements in an increasing number of cities.

Today in Berlin all the political parties have started to dialogue in order to prepare a motion on the organising of a PB at the scale of the *Land*, starting from experiments in a few of its districts. The result is still 'open' and the model is all still to be built.

The organisation of the PB in the German cases tends to be split generally in three stages. In the first citizens receive the necessary information about the city's revenue and expenditures, with detailed explanations of local taxes, of transfers from superordinate institutions and on how inflexible expenditures (personnel, ordinary management) take away increasing resources under the item 'investments'. The second phase consists of citizen consultation, which usually takes place during public assemblies, with the help of questionnaires that are often also available on the Internet. The third stage is represented by reporting, following the voting on the budget at the City Council. The Participatory Budget usually corresponds to an organisation set up by the administration (often only by the Councillorship for Finance or for the Budget) and is considered to be a sort of supplementary route to traditional policies.

Within these three stages, the different models applied in reality have a certain degree of creativity. In Vlotho (pop. 20,533) school pupils were involved in an integrated project aimed at working out the budget policy, and the majority of their suggestions were adopted. In Groß-Umstadt (pop. 21,620), PB is integrated in the financing of the Local Agenda 21. In Emsdetten (pop. 35,000), since 2001 the administration organises a public seminar, whose participants (about a hundred of them) are chosen by a draw. At every stand, the participants can get information on taxes and management costs, and can make proposals on the increase of taxes or on cuts in expenditure. The Administration may choose whether to take on the suggestions or not but at the budget-reporting phase they must explain why they have taken on the popular proposals and all the political parties must accompany any refusals with comments and notes.

In Rheinstetten (pop. 20,000) the consultation phase is carried out with the help of a questionnaire (also distributed in schools), which asks the citizens for their point of view in order to understand their degree of satisfaction with public services and to collect proposals for improvement in order to reduce expenditure. In Esslingen (pop. 92,000) the city has set up Internet centres in the districts, where anyone can be trained on the use of computers. On this basis, in 2003 an Internet discussion on the budget was launched, with a professional moderator.

In German experiences, the relations between the City Councils and the participants seem not easy. The Councils tend, from time to time, to perceive PB as a competitor rather than an excellent source of data that can improve the decision-making processes. Citizens remain full

of doubts on the real impacts of their proposals, being unaware of the reasons why only some of their suggestions were accepted. This may lead to frustration and lower mobilisation.

On the other hand, Councils and Committees have a tendency to practice 'selective hearing' towards citizens' proposals, rather than follow the ranking in importance of the guidelines given by residents. In terms of transparency, progress has been made, but information often remains superficial and 'discretionary' and what is lacking is a training of citizens that allows them to exercise real and conscious control over the institutions.

Up to now, PBs in Germany seem to be dominated by the Administrations; therefore there does not appear to be a halfway house between institutions and society, but rather a new public space where exchange can be 'opened up' but where a strong asymmetry persists between the subjects that use it. Currently, the Participatory Budget seems to be becoming increasingly a fashionable fad; and it remains to be seen whether it can make budget cuts (almost inescapable in this economic-financial situation) fairer or whether it will be only transformed into a tool with which to legitimise the austerity plan of the Government, without interfering with its contents and with the distribution of the 'readjustments'.

Watching the German approach is Eastern Europe, where (also due to the imposition of International Financial Institutions and of 'donors') the issue of the modernisation of the administrative apparatus is increasingly linked to that of the struggle against corruption in public institutions (it is precisely in this way, moreover, that the issue of Participatory Budgets is getting the attention of some Asian countries such as India and Indonesia, also thanks to the efforts of international associations such as Transparency International). Recently in St Petersburg, the institute "*Strategy*" launched the initiative "*Transparent Budgets*" in various Russian cities, and with the support of the Ford Foundation.

## **5. Spain**

Spain is perhaps the country that most closely resembles the Latin-American context, and has the most exchanges with it. The long dictatorial regime has altered the relationship between residents and local institutions, making it necessary to have a gradual rebuilding of trust in delegated democracy. Currently, while the City Councils (that nominate the Mayor) are everywhere elected on 'blocked' lists linked to the parties, the possibility for participation in decisions by residents may be manifold and very different between them. On the basis of general regulation that spells out some guidelines, in fact, cities have the possibility of adopting their own rules on participation. One of the first cities to use these was Barcelona, in 1986. During the 90s sector councils were created in many other cities that promote themselves as places for consultation on individual issues, but do not offer any autonomy to civil society, since they are presided over by a member of the City Council. In 2003, Law 57 updated the basic regulations on participation, forcing the large cities to identify some local districts and to use new representative bodies to promote the participation of citizens in the management of the city. In this dynamic framework, the first experiences of PB have developed since 2000, with the greatest spread in Catalonia and Andalusia. The debate on PB is politicised as it is in France and Italy, but there is also a great deal of interest in the modernisation of the administrative machine that, amongst others, is supported by the Bofill Foundation, the Independent University of Barcelona and the Catalan regional administration. The peculiarity of the Spanish models of PB is their reference to 'associative democracy'. In various cities, the associations (especially neighbourhood associations) are, indeed, the only legal participants in the processes. The organisational rules are, usually, clearly pre-established. Several models are supported by their own regulations (that decree the functions of every actor, the methods for organising and managing assemblies and even formulae for the territorial distribution of resources destined for investment), generally jointly created by the council and by citizens. Often these regulations are approved by the City Council, so that

they risk being rather inflexible instruments against the rapid changes required by the changing consciousness of residents who participate in the processes.

Today, in Spain there are a dozen of experiences of PBs. Among the first were those of Rubí and of St. Feliu de Llobregat (in the metropolitan area of Barcelona) where the Participatory Budget went along with other processes of citizen participation (particularly those of an urban planning nature), using new methods such as technical matrices constructed with residents and choosing citizens from a draw to take part in popular commissions focusing on some issues that impacted considerably on the budget. These experiences were of short duration, due to a political change. Other cities like Seville, on the contrary, are gradually beginning to experiment. In Sabadell (pop. 185,000) the PB started in 2000 with the help of the University of Barcelona and using the European Awareness Scenario Workshop methodology. Albacete (pop. 150,000) set great store by its 600 or more strong structure of associations. In Cordoba (pop. 300,000) the citizens make decisions on investment projects within a set amount of resources defined by the municipal councillors. There are 3 levels of participation (neighbourhood, district and city) split up into a series of assemblies, and criteria for the ranking of the proposals of residents concerning social issues. Around Cordoba there are other cities that have experiences of PB underway, like Puente Genil and San Juan de las Cabezas.

The organisational logic of the processes started in Spain has brought to light two forms of tensions: the first concerns the connection between the individual participants and the associations, and another occurs between the scale of the neighbourhood and that of the district. At the scale of neighbourhood, the mobilisation of individuals appears to be more intense, and tends to create an atomisation of investments that does not promote the acquisition of 'real weight' by residents in decisions about the resources of the whole city. Proposals easily reach high numbers that surpass financial capability. Furthermore, socially disadvantaged groups tend to participate little or gain little advantage from investments. In Cordoba, people have tried to overcome this problem by applying some 'social' criteria for the distribution of resources, giving greater scores to proposals of 'positive discrimination' to favour the weakest groups. In Spain, on the other hand, there is little control on the commitments that the administrations have to take on in relation to the decisions coming out of the PBs process. So, people often do not know to what degree projects that are consensually agreed have been accomplished. Because of this, sometimes the proposals repeat and contradict themselves, and the trust of residents in the institutions is slow to rebuild. The advantage of the Spanish routes to PBs is represented by the presence of a strong will by the councils to make available the means for organising participation. In Cordoba, for example, there is a team linked to the other public services with the objective of organising the Participatory Budget in the most effective way possible; it also includes officials responsible for international relations. This guarantees the reinforcement of links with other experiences and the progressive construction of a group inside the Council that is responsible for the process, its monitoring and also the 'research' of its results and its indispensable transformations.

## **6. Italy**

It was during the 60s that the issue of participation entered forcefully into the Italian political debate; factory councils, educational councils and experiences of participatory urban planning were important social phenomena that – from the subsequent decade – also began to permeate into the body of legislation. The Neighbourhood Councils, created with Law 278/76 'froze' the many and varied informal experiences born over the previous 20 years, removing their ability to truly represent local participation initiatives. The political crisis of the 90s ensured that the municipal constitutions began to differentiate themselves, especially after the change in the electoral law of 1993 that led to direct mayoral elections. The Consolidated Act for

Local Authorities of 2000 gave a boost to the multiplication at the local scale of specific instruments to transform participation from a *symbolic resource* to an *instrumental resource*. The city of Rome – the first in Italy – transformed its wards into ‘Municipalities’, with a certain level of autonomy in decision-making on some sectors of expenditure and with executive councils that have a directly elected Chair. In the last decade, however, the possibility for citizens to intervene in the administrative procedure and to stipulate contracts, agreements and conventions between private individuals and administrations began to introduce distortions in the concept of participation, often reducing it to simple ‘negotiation’ between strong players, and sometimes confusing it with an administrative action that is increasingly being carried out through the private sector in the form of outsourcing.

This is the framework in which we find the first Italian experiments in PB, which go against the stream, interpreting participation in the main options of local government as a right of citizens to impact on options of general interest. Awareness of the Latin-American experiences ‘exploded’ with the first World Social Forum in 2001, through widespread campaigns promoted by NGOs, associations, social forums and by a few parties of the Parliamentary Left (as *Rifondazione Comunista*). After the 2001 council elections, many municipalities (over 20, among which Naples, Venice and Rome) formalised an interest for the adoption of forms of PB, nominating a City Councillor delegated for the experiment. But only a few cities have matched this ‘formalised pledge’ with any concrete innovations. This situation somewhat reflects the extremely politicised (and in some cases decidedly ideological) approach with which the PB has taken root in the Italian imagination. It has often represented an expendable ‘fashion’ in electoral planning or an instrument of negotiation between political parties; at best, some administrations have adopted it as a ‘potential horizon’ for the future, limiting themselves to starting up innovations that may serve as preconditions that may one day allow it to be tested out. For example, in various municipalities booklets have been produced that each year publish the main budget items in simplified form legible by everyone, in others Internet sites or magazines have been set up that offer information on the phases of construction of public works, or open assemblies have been created to present the Council budgets (once approved). The debate has developed in parallel with that on Social Budgets (interested in measuring the effects in social terms of public policies). Even for the academic world, until 2003 the principle point of reference was the Brazilian city of Porto Alegre. The actual creation of a few concrete processes in that country began paths of emulation and exchange within Italy, also promoted by the birth of the national association *Rete del Nuovo Municipio* (ARNM) that puts social organisations, Universities and administrations interested in routes of participatory local management into the dialogue with each other.

Today in Italy there are around 20 experiences, very different from each other, which refer to PB principles. Many today have a ‘soft’ character, but it makes no sense to demonise them as mere ‘simulations of democracy’ as indicated by the radical approach of some movements. Some of them, in fact, were born hastily in 2003 but with the idea of having evolving and progressively broadening propositions. And many, already in 2004, are continually structuring and reformulating themselves also in order to allow a greater decision-making role for the citizens. This is the case for some towns in the Milan area such as Vimercate (pop. 25,020), Trezzo d’Adda (pop. 11,600) and Inzago (pop. 8,920). In the same area we find Pieve Emanuele (pop. 18,000) where experiments in participatory processes have been started gradually since ’94, after years of urban planning folly, corruption scandals and arrests of administrators. The PB was proposed in 2002 as an experimental continuous evolving project lasting three-years. From the start it made explicitly reference to Brazilian experiences, fixing

a set minimum quantity of requests from residents that the Council must accept each year. In the experimental three-year period, it must be gradually increased from 33% to 75% in 2005. In Grottammare (pop. 13,887), the oldest and most 'autochthonous' of the Italian experiments the process (born in 1994) has been transformed in the last two years, hybridising successfully with similar other ones. A third interesting experience can be found in Rome, in the 11<sup>th</sup> Municipality (pop. 138,949), split up into 8 homogenous areas, where since 2003 open Local Assemblies are held to elect representatives, in the proportion of 1 for every 15 persons present. Here, the participatory route finds it difficult to be reflected in the technical structure of administrative decisions and therefore the public works decided by the citizens are delayed. Politically, the Italian PB processes suffer from a difficulty in escaping from the sphere of 'proclamations' in order to transform themselves into daily management practices. A further critical point can be linked to the habit of fragmenting participation into a thousand different issues, which substantially weaken it leaving management based only on 'delegated' power unchanged. To date, citizens do not seem to be very attracted by this innovation that is still not able to communicate its reforming nature: rarely have people been able to surpass the threshold of 1-2% of citizens, and so 'mild' deliberative procedures were created for not concentrating on moments of decision-making, but rather on common growth during debate.

#### **7. An open conclusion**

European experiences, with their different approaches, confirm some of the results emerging from the first comparative texts between Latin American PB experiences (Torres/De Grazia, 2003; Avritzer/Navarro, 2002; Santos, 2002). In fact, the success tends to be proportional to 4 main factors: 1) the political will supporting the route; 2) the self organising ability and the cohesion of the 'social textile'; 3) the coherence and refinement of the organisational 'design' elements of the process; 4) the administrative and financial power of the authority carrying out the experiments. In the various contexts, the 4 factors can change the 'dosage' but they must maintain an overall balance, so that every deficiency is compensated for.

The European experiences emphasise - perhaps - also a 5<sup>th</sup> key element for guaranteeing the success of participatory routes: the existence of a strong *need* at the basis of the experiments. In Latin America, the needs cementing the will to experiment are often social in nature: i.e. the need to rebalance economic gaps constructing fairer procedures for the redistribution of resources. In Europe, often the needs that have given a boost to the activation of Participatory Budgets are political (especially in Latin countries), or are to do with modernisation and the improvement of the efficiency of the public apparatus (especially in the north-eastern area).

An overall analysis further reinforces the interpretation according to which PB are more a "*way of rethinking the connection between direct democracy and representative democracy*", than a mere model for undertaking the former. Despite this, a large part of the European political class continues to perceive them as being a hypothetical 'threat' to the legitimate sovereignty of the institutions of representative democracy. There is also scepticism fed by many expressions of organized associationism (trade unions, professional and sector associations, research institutes, NGOs, etc.): their 'distance' from the processes is furthermore caused by the fear of losing the contractual power acquired whilst working as counterparts of institutions for over 40 years of *negotiation* practices. In fact, the majority of European PB have been betting on the involvement of citizens as individuals; and organized associationism - sensing it was being pushed into the margins - often reacted corporatively, taking no interest in or even opposing the experiments. The organisational force of the Third Sector (together with the habit of political delegation) could be a considerable 'brake' preventing processes similar to PB taking root. Changing the lobbyist or corporate behaviours of organised associationism is not an easy task however: it requires a cultural change that puts the associations 'at the service' of the participatory processes, and not vice versa. But it also

requires a change in the political culture, used to finding a strong ally in the Third Sector, due to the persistence of forms of clientelism and to the habit of counting on forms of social involvement that are just *planning* between actors invested with different forms of 'representation' from the various segments of society, pre-existing and external to the activation of participatory processes.

The best comparative research conducted to date (as Villasante/Garrido, 2003) shows that the PB processes do not take off when they are conceived as Associationism Councils. Two main problems therefore remain to be resolved: how to invest in forms of communication and in rules of organisation that favour an increase in the response of citizens to convocations, and – at the same time – how not to lose the added value that the already organised social networks represent. Every experience today is gradually providing the answers that it believes are most suitable to its context; but there is still a lot to do. The construction of Observatories on the Commitments of PB may be an interesting solution. In many countries of Mediterranean Europe there continues to be a curious paradox: organised civil society has made a large contribution to the dissemination of the examples of Participatory Budgets tested in the Global South, but it often shies away from direct engagement in the processes put into action in some cities of the old world, and it leaves the Councils to take the lead role in their creation.

This problem should not take away from another widespread limitation in the European experience: the difficulty of involving the weakest parts of the social network in the public debate on the budget priorities of the administrations. Unfortunately, to date, the only forms of 'positive discrimination' carried out during the PB route seem to be those that benefit children and adolescents, categories that can be most easily involved through the cooperation of education establishments. What is lacking instead are measures to support immigrants and disabled people (multilingual material or written in Braille, sign language translators, meetings in places that have ramps and elevators, etc.). There are also few cases that try and reflect on weaker social groups in terms of 'gender-mainstreaming'. Even technological instruments (email, votes via Internet, etc.) are often not used to build a true e-democracy, but end up reinforcing the digital-divide and cultural and age differences (the case of Esslingen is an almost a unique experience, perhaps equal only to that of the small Spanish town of Jun).

In this light - that it still does not manage to work on truly 'inclusive' forms of participation – it is extremely important that the workings between delegated democracy and instances of direct democracy do not take the form of 'erosions of responsibility in decision-making' by the institutions. There is, in fact, the risk that decisions – left only to those present during the different phases of the processes of PB – may produce an increase in the exclusion of those who are not represented on those occasions.

In this light it is worth citing an extremely interesting European case: the one tested in the Manchester area of England. The space that the PB is carving for itself today in Salford Metropolitan Borough Council is partly the fruit of an operation led 'from the bottom up' by a few social organisations that have entered into direct contact – through international cooperation – with Brazilian practices of local democratisation. The NGO Community Pride, after some exchanges with the Brazilian cities of Porto Alegre and Recife, organised training seminars for the local authorities and activists from civil society. The stress was placed particularly on the need to reorientate public investments towards the needs of marginalised social groups. Today, the progressive opening up of Salford Council to experiments with Participatory Budgets is a sign of hope in the positive opportunities offered by 'hybridisation' and by exchange between practices tested in different continents. The method suggested by the resource distribution matrices, used in many Brazilian cities and repropounded by the Community Pride project, is a brilliant example, because it builds a mediation (made up of

weightings and indicators) between the needs expressed by participating citizens and the objective needs of an area, that are no less important just because its residents do not turn up during participatory sessions to flag them up. In this way, an experience that may appear to the casual observer to be more 'technicalist' than those of other countries instead picks out the very 'heart' of the meaning of the experiences of Latin-American Participatory Budgets, and recovers the original sense of the principles of Agenda 21, that in Europe has often been lost in a mire of micro-experiments confined to the peripheral (and isolated) issues of the local administrations.

The 'matrix' project elaborated by Community Pride also acquires the important role of being an innovative technical instrument for guaranteeing transparency in decision-making. In this light, it aims to halt a further weakness that emerges from many of the European experiences, and especially those of the European Latin countries: namely the scant level of attention paid to administrative reforms that should accompany the execution of PBs in order to make the modernisation of the public machine a multiplier of the effects obtained. In the majority of cases the opposite happens: the inability to act on the reform of bureaucratic procedures and the poor level of commitment shown in promoting change in the culture of public officials translates into a large obstacle to the success of the participatory route.

The structures do not manage to reflect in themselves the novelty of the means of reforming the socio-political culture, and the slowness in practically carrying out the choices made consensually creates disappointment for the citizens and lowers the level of involvement in the Participatory Budget. They thus expose a central fact: that participation is not an independent variable, rather it is a hypersensitive phenomenon, whose success is strictly connected to the results it produces, and to the times in which it manages to produce them.

These limits certainly do not obscure the great value of processes that – even where they struggle to become spaces of joint-decision making for administrators and citizens – have the fundamental role of reintroducing the value of daily life skills and knowledge in local planning. And they do not do so considering users only to be potential modernisers of public services, but by showing a strong level of faith in social intelligence. From this point, PBs allude to an interpretation of the principle of subsidiarity that turns the one indicated at the beginning of this text 'on its head', suggesting that the institutions must not remain *indifferent* or *outside* the initiatives and proposals that protect the general interest, autonomously promoted by citizens and their organisations, but have the obligation to support their development.

They therefore refer to a meaning of '*circular subsidiarity*' that underlines how state and society must collaborate permanently in order to achieve the common interest through a relation based on cooperation and partnership 'with equal rights and responsibilities'. On this issue, the Active Citizenship Network (supported at the local level by movements such as the Italian *Cittadinanzattiva*) has carried out an important cultural battle trying to bind the results of brave and 'provocational' local experiments with the establishment of the new European Constitution. It has suffered a temporary defeat, but the results of the various experiments remain, suggesting that the battle will have to continue.

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