EUROTOPIA

Participatory democracy at the crossroads

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Participatory democracy in Europe

Since 2002, the number of municipalities across Europe which have taken up participatory budgeting in some form has grown from just a handful to well over 150. Yet the nature – and success – of the schemes varies widely.

Very few have followed the original ambitions of the Workers Party in Porto Alegre by redistributing wealth from a city's rich to its poor. In most cases participatory budgeting is a form of consultation rather than a real sharing of power.

Incorporating participatory democratic ideals into a European model is complicated by the nature of the European Union. By having such an overarching and powerful level of governance, citizens are even more removed from holding their governing officials directly accountable for their actions. However, writes Dawid Friedrich, participatory democratic processes are even more necessary in such a situation.

Without civil society organisations, Friedrich says, the EU can have no hope of becoming a true democracy. These organisations must serve as a 'transmission belt' between private citizens and decision-making institutions like the European Commission and European Parliament, and may also help to simplify complicated policy processes for the larger electorate.

Participatory democracy can only succeed if two conditions are met: that the processes are open to the general public, and that they are effectively structured to have a real effect on the policy outcome. However, experiments in participatory budgeting have run the gamut in effectiveness across Europe: Spain and Italy have built the strongest systems in terms of citizen input, while

Portugal, Britain, and France have struggled to give participatory budgeting real power.

Spain has had perhaps the most success in incorporating participatory budgeting (PB) measures into its political system. One in twenty Spanish citizens are governed by a locality that uses a form of PB. The landmark success of PB can be seen most clearly in Seville, a city of 700,000, which uses it to determine its budgetary priorities for new investments. Millions of euros are controlled directly by Seville's citizens: they decide which funds will be directed to specific policy areas and neighbourhoods. The municipal government in Seville is in the hands of the Socialist Party (the PSOE – Spain's government party) and the United Left, and PB controls 50 per cent of the budget for new investments.

PB works on a neighbourhood level, turning to *grupos motores* ('power units') to generate policy measures in specific areas, such as children's rights or migrants. Once these proposals have been submitted to the municipal government, citizen assemblies are called three times a year by each city division. The first assembly explains how PB works as a method of governance, while the next meeting explains the previous year's budget, and attendees select the five policy areas that they consider the most pressing. In the third assembly, the final decisions made through the PB process are announced to the community.

However, PB models do vary between municipalities. In Albacete, there is a participation council comprised of members of leading organisations and associations, which possess expertise in policy areas from health to workers' rights. In Córdoba, yet another model of

PB has been adapted for local governance. There, three levels of decision-making – neighbourhood, district, and city – are used to rank the priorities of city-dwellers, with the municipal government only getting involved to decide on projects' feasibility.

Italy has also led the way in participatory democracy, with a proliferation of different forms across a variety of cities and towns. Many have called on central government to provide more funding for such schemes.

Italy has seen two waves of participatory budgeting projects since 2001. In the first round, civil society associations and interested citizens led the initiative. They sought to introduce participatory democracy – not just participatory budgeting but also participatory control over planning, as a real alternative to the current flawed methods of public management. These projects had initial success in the north of the country beginning in 2002, from Tuscany to Castelmaggiore in Bologna. In small villages and larger towns, experiments in partcipatory democracy were set up by the *Rete del Nuovo Municipio* (network of new municipalities), supported by left political activists and intellectuals.

The second wave of participatory methods in Italy began in 2005. This time it was larger cities and towns, like Modena, which introduced participatory budgeting. In the middle of the country, even centre-right groups adopted PB and introduced it to cities such as Proveno. This is unusual, as it is generally more leftist groups and NGOs that lead PB initiatives.

The adoption of PB carried several benefits to local municipalities. By incorporating a more participatory approach into its governance, a city could attract more funding for PB-related projects, as well as increasing its visibility among researchers and politicians for its pro-citizen approach. Even the central government in Rome, which under Berlusconi had only provided lukewarm support for more citizen participation, passed legislation which enabled 102 municipalities to apply for funding to support

their own PB projects. Like Spain, citizens in this PB model do have the power to influence decisions, and local elites must take the ideas of the public into consideration.

The main difference in this second wave of participatory governance has been the decreased role of civil society organisations in propelling the projects. The bulk of proposals concern basic public management and the maintenance of public works projects, which these structures manage quite efficiently, and which follows the trend in Europe. However, projects outside of these scopes have not been nearly as successful – PB schemes are yet to be embraced for governance on a wide scale in Italy.

Participatory budgeting has found a more fertile breeding ground in Germany, which since reunification in 1989 has implemented a variety of direct democracy measures, such as the 'citizens' initiative' and referendums. It is estimated that there are around 200 local referendums held in Germany each year. In Bavaria, citizens have launched 1,630 initiatives and 640 referendums. These referendums are initiated by citizens' groups, who must collect the signatures of a small percentage of people up to a quota. If the quota is met, a referendum is held.

While there has been limited success in the evaluation of how public services are provided, there remains a problem with the low level of participation. Few citizens attend the meetings held twice a year – only 277 in Lichtenberg, a borough of 256,000 – and this limits the impact that participatory democratic measures can have on overall management. As it stands, participatory budgeting in Berlin has served mostly as a source of information for citizens: it 'allows citizens to understand the financial situation in which their community finds itself', says Carsten Herzberg, from the Centre Marc Bloch in Berlin. 'The example of Porto Alegre, designed to mitigate the social inequalities and the absence of the redistribution of wealth in particular quarters, is not used at all as a model for the German participative experience.'

France has been somewhat less successful in
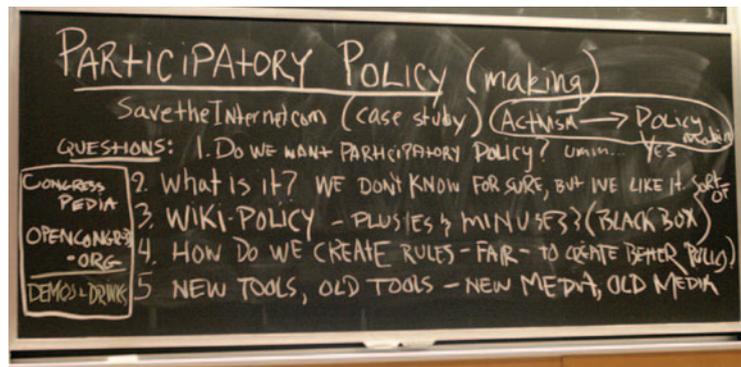
its implementation of PB schemes, in that the granting of decision-making power to local authorities runs counter to its strong, central, republican tradition. In 2001, the national assembly passed the 'Vaillant' law, which has seen the creation of councillors and local councils in every municipality with a population of 80,000 or more. But a group of young republicans from Toulouse, backed by right-wing elements of the French government, believed the creation of such councils would lead to a 'rise in parochialism', in which local issues, of concern to only a few, would dominate the national discussion.

The future of participatory budgeting in France does not look optimistic, says Yves Sintomer. While globally, the notion and practice of participatory democracy has grown and been used inventively in many different areas and political systems, in France it is unlikely that people will invest their energy into structures which hold no true decision-making powers and have borne no real concrete effects.

But the prospects for participatory democracy look bleakest in Portugal and Britain. On the far end of the continent, 16 independent adaptations of participatory budgeting have taken root in Portugal since 2002, with 12 of these being initiated by large municipalities, and four being initiated by *juntas de freguesia* – 'freguesias' acting as civil parishes and a smaller administration unit than the municipalities. Due to Portugal's long and recent history of dictatorship, the state had been very centralised with very little power granted to municipalities. They functioned solely as arms of the central government until 1976, when Portugal held its first free local elections.

The introduction of Participatory budgeting schemes was spurred by cases of corruption, but they face numerous challenges in meeting their goals of providing better services for citizens. First, they have not been supported by local citizens' groups, the majority of which only represent the interests of specific sectors and not the interest of the community as a whole. Second, the Portuguese central government has transferred more responsibility to the PB schemes, but has not matched this transfer with adequate funding. The lack of proper economic support undermines these local governments,

which can no longer respond adequately to the demands of local citizens, and weakens their political base. Now, these municipalities and *juntas de freguesias* increasingly rely on the market, as they invest their funds in the hopes of increasing their revenue.

Britain's scattershot adoption of participatory budgeting demonstrates its unique approach to governance in comparison to its European neighbours. Having a long tradition of local government, but little autonomy granted by the central government, towns and cities have taken up PB at a neighbourhood level rather than city-wide. The Thatcherite reforms of the 1980s saw the wide-scale privatisation of public services, most of which now have different administration and management methods, so PB has served more as a way for local communities to streamline the efforts of already-existing institutions and modernise their services.

Funding is also an issue for British towns, as they must rely on money granted to 'partnerships' – in which the private sector is often dominant – to finance local projects. This is demonstrated in the spread of public-private partnerships (the involvement of the private sector in public finances) throughout the UK, everywhere from a project to improve street lighting in Brent to the maintenance of the railways. This form of participatory budgeting is especially likely to emerge in countries with a strong neoliberal bent, as is also evident in Poland's adaptation of PB measures.
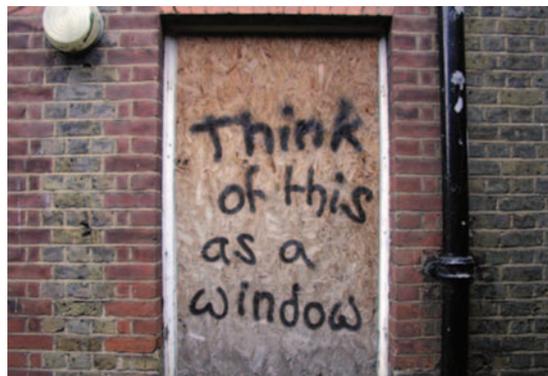
The most widespread form of participatory democracy and budgeting throughout Europe appears to be 'democracy in proximity', in which centralised states hope to bring government closer to the people by introducing local councils and regional seats. In this model, at work in France and, to an extent, Portugal, citizens remain a listening-post, with no real participative power. It is countries that have stayed closest to Porto Alegre's model that have had the most success in getting actual citizen input into policy decisions, and where the introduction of participatory budgeting has resulted in the improvement of impoverished areas of cities which, under previous budgetary methods, had been neglected.

Jax Jacobsen

Interview

Jeronimo Fernandez Cortes, 43, is a member of the Federación de Asociaciones Gitanas Calí (Federation of Gypsy Calí Associations), an organisation that is a participant in the Albacete Participation Forum. The federation promoted the creation of the Office for Gypsy Affairs that, thanks to the participative budget, has attended to the needs of gypsies from the La Milagrosa neighbourhood over the last four years.

How did Fundación Calí first get involved in the participation forum?

We have been part of the forum since the start. Creating the forum was the former mayor Manuel's idea: a call went out and we took part from the very beginning, alongside other groups. Our role is to represent the gypsy community of Albacete.

In the first year, the creation of a gypsy community care office – an office to provide advice and information for the gypsy community – was proposed. The idea was submitted to the equality and participation councillor's office, and it started working immediately with funding from the city council.

Why have an Office for Gypsy Affairs?

For years, we'd had the idea of creating a place that gypsies and non-gypsy immigrants (of whom there are plenty in the La Milagrosa neighbourhood) could turn to – to create something that they could use freely and trust, from which they could be directed to the different departments of the public administration.

In the office, guidance is offered about matters such as housing, education, the neighbourhood... When someone needs something we send them to the appropriate service, or we help them with the paperwork if they don't know how to fill in the forms. We also accompany them, if necessary. It is a kind of care that is very personalised.

In the gypsy community there are many problems that need solving, but the administration doesn't know where to start, whether it's the issue of housing, which is very important, or employment and training.

Us gypsies are the ones who are most excluded when it comes to applying for a job. When we go to factories or respond to job offers and they see that the address is in the La Milagrosa neighbourhood, all of a sudden the post has already been filled. People think about it very hard before giving a gypsy a job – they don't see us as having become normal.

We also have a problem in the field of education. Not so much in primary school, but in secondary school and university. In Castile-La Mancha, there are very few gypsies in university. These are some fundamental social issues that we have to work very hard to make an impact on.

Would it have been possible to create the office without a participative process?

The previous mayor was very receptive to the needs of the gypsy community, so it may have been possible, but the participation forum was the space where a wholehearted effort was made. The entire forum council understood that it was a necessary space. Us in the gypsy community are very disadavantaged, and nobody hesitated in approving the proposal for the creation of the office, not at the time or in the following years. So, for four years now, we have had a budget for running the office and complete moral support from the forum council in all matters that affect gypsies.

Moreover, the office was a foundation stone: a great achievement that has now made it possible for there to be a Department of Gypsy Affairs within the councillor's office as well, resulting in our very positive assessment of the process. When we started, there was nowhere that had an office like this one, but now the idea has been exported to municipalities near Madrid, like Parla, Getafe and Leganés, always following the blueprint of our office in Albacete.

What is the relationship between the different organisations and proposals in the forum?

We support all the proposals presented in the forum that we feel are good. However, of course, we talk the problems that we have, such as children not going to school, while other groups want them to put up streetlights.

When proposals are submitted for the city to be fairer, more pleasant, and for there to be greater solidarity, we agree and we support it. How are we not going to support more squares or more parks or more bicycle lanes? But, you see, our problem is that many gypsies don't have a house, or access to employment, and have to devote themselves to hawking or begging in the street...
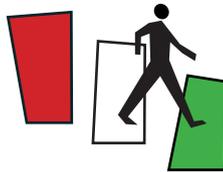
Anna Pizzo is a director of Carta (a partner in Eurotopia), and has been a councillor for three years in the Lazio region, where she was elected as an independent with the support of Rifondazione Communista. Inspired by the experience of Porto Alegre, she has been working on 'the borderline' between the movements and the political institutions, in order to open up the Lazio regional council to the demands and pressures of the movements.

Recently she has been working with immigrants' organisations on legislation to give immigrants rights of access to health care and social security. Through a combination of pressure and confrontation from the movements and alliance-building on the inside of the regional council, the campaign has been successful.

Such a successful opening up of the institutions is rare. Now, three months after the political tsunami that swept the radical left out of Italy's national parliament and senate, Anna Pizzo reflects on her experiences and the problems she has faced, and points to the new struggles at a local level which she thinks contain the best hope for change.

At first, when I became a candidate, I believed that if citizens in Porto Alegre, a city in Southern Brazil, among thousands of social contradictions and in the absence of a "mature" polity like those in Europe, were able to take hold of the issues most important to their locality and decide their destiny, how much more could we do towards achieving popular self-government? In fact, after many fruitless attempts, I am now convinced that **the established political institutions are the most powerful brake on the possibilities of democratic innovation.**

The trauma we have just been through – the destruction of the entire left's parliamentary representation – does not seem to have generated any enthusiasm for beginning to change what for almost a century has remained unchanged: the political parties. Political parties act as a screen, separating the representatives from the represented.

We have witnessed the end of one form of political representation and consequently need to pursue alternative forms of democracy. But the response – a product partly of a survival instinct and partly of widespread political illiteracy – has been one of fear, paralysing people's ability to make a definitive break with the political parties

and actually pursue more radical democratic forms, rather than just talk about them. The triumph of Berlusconi-ism is a new form of

despotic populism: a political project of 'safety first' that exploits fear.

But the main reason for the defeat of the left is the suspension, if not collapse, of the hope for change inspired by the first World Social Forum in Porto Alegre in 2001. There has been a sweeping away of the bases from which to resist, most notably the global movements.

The only thing of note in an otherwise desolate scene is what radical urban planner Alberto Magnaghi calls 'consciousness of place', which provides the conditions for a pressure for popular participation. There are now, across Italy, hundreds of local conflicts over land and energy – over the waste of both economic and cultural resources. They are resisting the dominant model of development and more-or-less explicitly presenting an alternative, but coming up against the oligarchic nature of democracy

This is an important source of political energy that could produce profound change in the political and social spheres, and it is strongly opposed to governments of both the right and centre-left. At the moment it is a source parallel to and practically invisible by comparison with existing political structures, but it may produce some surprises this autumn. What concerns me is that the pool of regional institutional politics, in which I will have to continue to swim for the next two years, responds more to the old forms of politics, and hardly notices at all the parallel track that citizens are constructing in make-shift fashion. It may soon, however, be forced to notice.

If participative democracy is the answer, what is the question?

'Citizens' participation' is a fashionable political concept, but one that increasingly means all things to all people. It is time to reclaim 'participation' from those who would use it simply to legitimise existing political institutions, argues Joan Subirats. We should work, instead, at the boundaries of those institutions, creating spaces of political autonomy that interact with, challenge and ultimately transform them in the interests of a more egalitarian democracy.

Citizens' participation is often spoken of as an answer, without it being clear what the question is. It is variously used to explain actions that seek to improve the legitimacy of public institutions, and to express the claims of bodies and associations that demand a greater role in the decision-making process. There is also talk of citizens' participation as a way to improve the drawing-up and implementation of public policies, or as an embryo for new ways of conceiving the exercise of power in a community. This emphasis on participation has found its way onto the political agenda of many countries, taking a variety of forms. Its progress has even been accompanied by the appearance of participation specialists and consultants, and a new milieu of university research.

Thus, a veritable public policy for citizens' participation has been developed 'within' representative democracy that seeks to complement it, making up for the characteristic faults that form part of the normal functioning of consolidated democracies. This form of politics does not seek to replace the established channels of representative democracy, nor the accountability mechanisms that have been institutionally set, but rather, to increase these institutions' legitimacy and ability to respond. This at a time when the shortcomings of a strictly formal and representative view of politics are becoming more obvious than ever, revealing the existence of a 'low-intensity democracy' within a new scenario of economic globalisation.

From the old institutions...

Over the last few years, the ability of citizens to influence government actions has been decreasing. With this growing disempowerment, democracy has lost a considerable portion of its legitimacy, with only its formal and institutional characteristics remaining intact. Public authorities are increasingly less able to influence economic activity while, on the other hand, corporations continue to influence and exert pressure on institutions. They do not possess the same mechanisms for balancing this game that they had in the past.

Political parties and large trade unions are becoming increasingly incorporated into the state fabric. They recognise the signs of disconnection and disaffection among citizens, but they are trying to find new paths for survival. Social movements caught in this bind are finding that they must either strengthen their ties with formal institutions, risking a clientalist relationship, or strive to find alternatives outside of the conventional political playing field.

As citizens grow more sceptical about formal political institutions, their relationship to politicians and institutions is changing too. Many now see this connection as a more utilitarian, disposable one, with little hope of achieving genuine influence or 'authentic' interaction.

In this context, how can democracy be restructured to recover some of the transformative, egalitarian and participatory aspects that it used to have? How can we move beyond a democracy that is utilitarian, formalist, and minimalist, and that conceals the deep inequalities and exclusions that still exist? How can we conceive of a democracy, in other words, that is better able to respond to the new economic, social and political challenges that we face today?

... to the new politics

To address these challenges, we should take stock of experiences that have managed to generate spaces of 'new institutionality' – that is, spaces that can achieve institutional strength and legitimacy, but without stifling the creative and innovative capacities of citizens. The aim of these new forms of organisation is to aid the reconstruction of social bonds, by articulating the collective sentiments of those who participate in them while at the same time remaining respectful of individual autonomy.

In this sense, the strengthening of community involvement in the drawing-up and implementation of public policies is vital, but this should not stop simply at the local level. There is a need, too, for networks and platforms that enable the linking of local experimental frameworks with one another, allowing cross-fertilisation, reflecting on the practices that have been undertaken in different places. Through such a framework of networked participation, we may begin to see the consolidation of those social experiences that seem merely *resistant* to the dominant politics of individualisation into a clearer set of *alternatives*.

The basis of such a shift arises from a series of 'new social dynamics', building on a combination of resistance (born out of political mistrust in institutional initiatives that lack legitimacy); dissidence (which gives expression to different ways of understanding what governance is capable of, and means of conflict resolution that exist on the margins of conventional spaces); and impact (understood as concrete pressure for the reformulation of existing institutional initiatives). With these elements as a starting point, it is possible to work (not without contradictions, but not without some advances either) on a new institutionality, paving the way for a more confident and less defensive expression of citizens' participation.

If this new institutionality is to emerge – combining representative democracy and participative democracy within the perspective of egalitarian democracy – it will do so through work in this border terrain, at the intersections between institutions and social movements. Pure experimentation is not enough, but neither is a form of 'citizens' participation' that merely seeks to improve the 'communication' and 'synergy' between institutions and society without transforming those institutions. It is not simply a matter of challenging conventional politics, but rather of working at the limits of what is conventional to create new spaces of autonomy. In stregthening the autonomy of social actors, such work will have to be 'useful', but not simply in a utilitarian or instrumentalist sense of that term.

Ultimately, citizens' participation has to be about more than simply 'improving' or patching up the institutions that already exist. We are facing problems of structural change and growing social complexity, and they need to be tackled in equally structural and complex ways. In creating experiences of egalitarian democracy, we should be guided by a perspective that envisages an alternative to the model of society that is currently prevalent. In so doing, we should not overlook the importance of interpersonal relations, of how people co-exist in such spaces, and how these new relations can themselves be transformatory. It is not just a matter of talking about transformation, but rather, of feeling and experiencing different ways of living together that, while defending the spheres of individual autonomy, also build up a collective sensibility. This would generate dynamics of personal responsibility and involvement in the processes of change, going beyond the logic of 'delegating' problems that is predominant today.

Joan Subirats,
Professor of Political Sciences
and Director of IGOP

Managing water through participative processes: the case of Catalonia

Carlos, who is 13 years old, has left his house to go fishing. Not far away, there is a reservoir where he spends long hours watching the birds nest while he waits to catch a fish or two. The reservoir was built some time ago to supply the inhabitants of the town, enable irrigation, and produce electricity.

This image sums up the complexity that surrounds the management of a resource as important as water, which is simultaneously a social good that must be available to the entire population as drinking water; and a fundamental natural medium, as water is indispensable for life and hence has value in environmental terms, and also with regards to nature and the landscape. It is a production factor that is often irreplaceable for key sectors of the economy; and moreover, many of the citizens' recreational and leisure activities take place around sites that have water (fishing, boating and sailing, the beach...)

But water is also a resource that is scarce and inflexible (only allowing a use that is limited, time-wise) and which makes us depend, in a final analysis, on rain and snow. At most, it can be stored in reservoirs or channelled through diversions, but these entail high economic and environmental costs.

All of this means that water policy is an essential public policy and a strategic priority. So when the autonomous government of the *Generalitat de Catalunya* tackled the drafting of the *Planes de Gestión de las Cuencas* (basin management plans) set out in the framework directive on water, it decided to promote processes of citizen participation, with the goal of improving the quality of the plans, integrating all the different views and involving the social agents in the territory.

Thus, in September 2006, the general directorate for citizens' participation of the autonomous government and the *Agencia Catalana del Agua* (the Catalan water agency, ACA, a public body attached to the environmental department) embarked upon 16 participative processes – one for each basin. All their activities were structured into phases and clear roles were assigned to all the agents involved.

In the end, the ACA technical experts, who are civil servants, are the people responsible for drawing up the basin management plan, and the competent political authorities in the autonomous government are the ones who make the final

decisions, but the participative process is a key aspect in evaluating the information held by the adiminustration. It generates social debate prior to the decision-making stage and encourages transparency in the decision-making process.

The participative processes begin with the validation of the diagnostic assessment of water conditions (rivers, lakes, reservoirs, ground water, sea water, etc) carried out by ACA, so as to allow the participation to turn into a first-hand information source. People who are in close contact with the water can communicate what mistakes or gaps exist in the diagnostic assessment that was drawn up. As one of the participants noted, 'I walk by the river every day'.

Subsequently, a social debate about the use of water begins through a deliberative process that seeks a social consensus and clears up disagreements by discussing the arguments. Contributions are debated by all the participants, so as to convert individual preferences into collective proposals and thus make participation a tool for social transformation.

Finally, the administration explains what proposals will be included in the basin management plan to the participants, as well as transparently explaining why proposals that were not accepted were left out. Reasons for exclusion tend to concern the budget (in the case of the speeding up of construction), the legal framework (setting a maximum level for water consumption), and coherence between basins and with the government's general philosophy.

Overall, 1,776 people and 1,311 bodies have taken part in the process, including local councils, residents' associations, communities that use irrigation, environmental groups, campsites, electric energy producers, chemical industries, etc. A total of 1,861 proposals were produced, of which 66 per cent were accepted and 3 per cent rejected (the rest have viability studies pending or are beyond ACA's scope for intervention).

Many visions of water as a common resource were represented, as were several private interests around the issue of water. In the locality of Blanes, one of those that participated in the process, participants stated that

they had 'felt very comfortable and we have all had the opportunity to express ourselves', a satisfaction that was shared by over 90 per cent of those involved. The participative process has increased the confidence of society in the public administration, and has represented a factor for the revaluation of the public space.

Jordi Pacheco i Canals
Sub-director General for Participation of the
Generalitat

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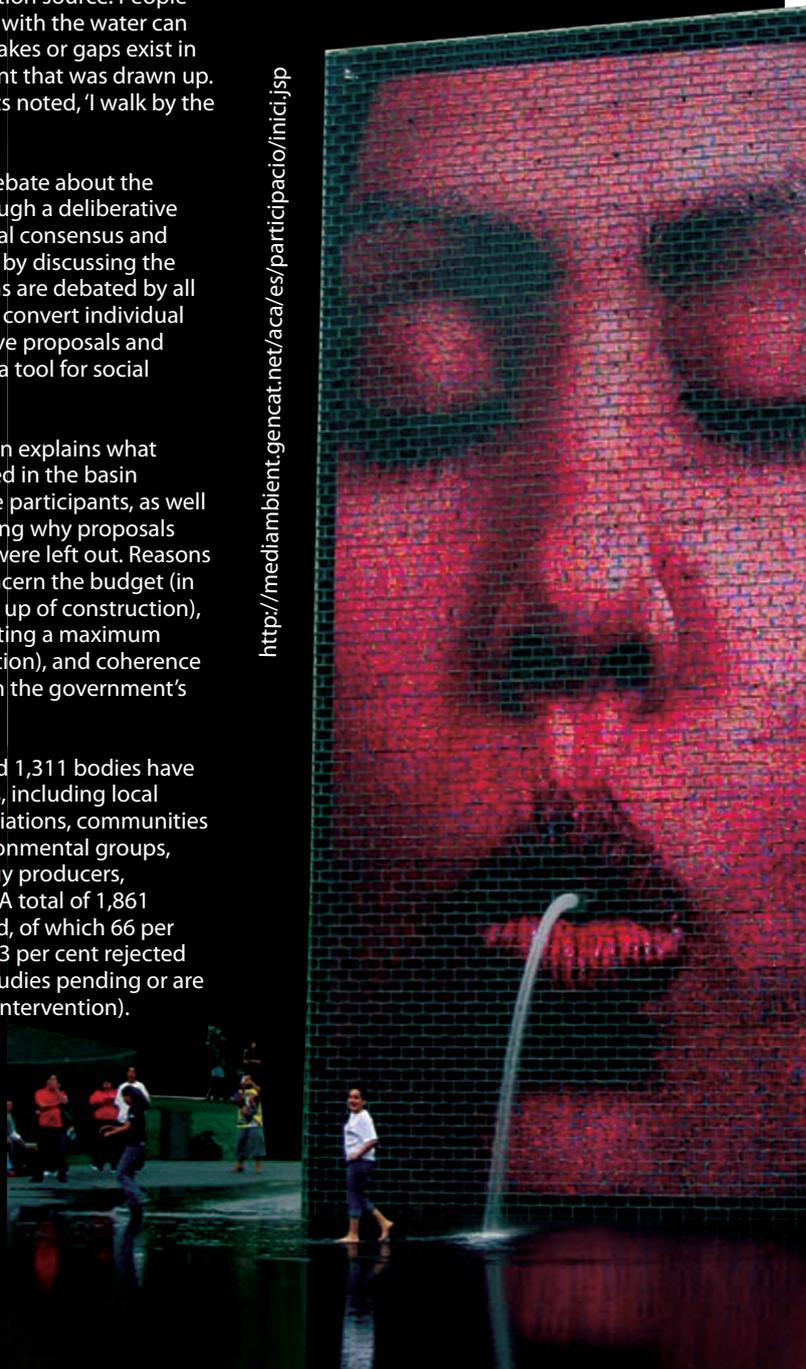
Facing the problems, learning the lessons

A contested idea

Everywhere – from Brazil to Britain, from Barcelona to Berlin – the reality behind the language of 'participation' is contested, complex and contradictory. On the one hand, there is a growing demand for stronger democratic control over public resources, for political transparency, for an end to corporate-funded politics, and in general a rising disaffection with the old political elites. 'Recycle the political class,' declares graffiti in the metro station near the offices of El Viejo Topo in Barcelona, summing up the mood of the times.

This mood is evident in the spread of participatory budgeting and other forms of participatory democracy in local authorities across the world; it's demonstrated by widespread resistance to privatisation usually in the name of democratic control; it's indicated by the active support of young people who are becoming politically active for the first time for Obama.

On the other hand, though, this desire to deepen democracy has been taking place in parallel with a process by which governments pursuing market-led politics – whether they are parties historically of the left like New Labour or explicitly neoliberal parties – have been dismantling the social responsibilities of the state and handing them over to the market. They have been doing so with the language of 'decentralisation' and 'localism' – even, in the case of the Porto Alegre politicians who replaced the Workers Party, 'solidarity governance'. *(See box)*

Historical roots

These conflicting trends are evident too in the ambivalent nature of the non-state public (or quasi-public) spheres that are emerging in many cities across the world. On the one hand, **citizens' organisations and social movement networks are creating increasingly interconnected sources of non-state democratic power** – around housing, childcare, waste and other environmental issues, the needs of young people, the situations facing immigrants, and so on. Where the political leadership of the municipality is open to political innovation and sharing power, these civil society organisations have been the basis of experiments in participatory democracy. At the same time, though, as many municipalities, regional and national governments subcontract the welfare of the population to private businesses, charities and NGOs, there is the growth of another kind of non-state but quasi-market sphere: one associated with a way of delivering social services that is more accountable to shareholders, chief executives and management boards than to local citizens.

These two sets of conflicting trends have historical roots that it is useful to understand, in order to map out the new terrain of struggles for democracy in the 21st century. These conflicts have their roots in the in the 1960s and 1970s, when pressures to go beyond the elite democracy of the cold war years reached boiling point, and the elites themselves, through the Trilateral Commission (a kind of international committee of US, European and Japanese elites) effectively declared 'enough' (or, actually, 'too much'). They commissioned a report in 1975 that declared a 'crisis of governability', in which the authors concluded that at the root of the crisis was not too little democracy, but too much.

Democracy was overloaded with claims, rights, and demands for participation, the report argued. Over 30 years later, its solutions have an uncanny familiarity: moving as many activities as possible from the state to the market, from the public to the private, from the political to the technical, from popular participation to a 'government of experts' – especially from the business world. This, combined with the example of the CIA, US government and the free market 'Chicago boys' in Chile, set off a concerted and often violent process of destruction of these sources of democratic pressure that has lately been well documented by Naomi Klein.

The renewed pressures today for more direct forms of democracy indicate that although neoliberal governments inflicted dire political, economic and human defeats on these earlier movements for democracy, they were not successful in eliminating the democratic imagination and self-confidence that was born in the late 1960s. Over the past decade or so, people have been regrouping to find new ways of working for democracy, often with stronger, more sustainable institutional designs, inspired by a radically democratic politics that was on the rise in Latin America just as it was being defeated in Europe.

Beyond telling stories

On the new political terrain, where renewed movements for democracy are facing down the state and market institutions of the neoliberal counter-revolution, the old political strategies of the left have to be radically rethought. Are there lessons we can draw from the experiences of participatory democracy so far? How do we move beyond celebrating and telling the stories of the best examples, especially since these examples are facing difficulties from which we must learn?

One very clear step already being taken, as part of the resistance to privatisation, is to develop practical strategies for democratising the internal management of the public sector. Participation in setting budgets or in planning the use of land can only have a limited effect while services and resources are still managed through hierarchical and secretive systems that stifle the creativity of public service staff in their relationship with the public.

The public sector – but not as you know it

Recently, in Newcastle, UK, a trade union-led campaign managed not only to defeat of the privatisation of the council's IT infrastructure, but also to create a new form of public management whose whole ethos is based on eliminating hierarchy, involving the staff at every level, and making the whole administrative system transparent and porous to democratic pressures. This required a strategically-minded public sector trade unionism that was prepared to insist on the council preparing its own bid for the services against a private business competitor, and then prepared to work with management to involve staff in redesigning the services (on the condition that there were no compulsory redundancies).

A further important lesson is the need to consolidate an explicitly dual strategy: to strengthen democratic sources of power independent of the state while, at the same time, opening up state institutions so that more direct and day-to-day forms of democracy have real control over public resources.

Democratic autonomy

The experience of participatory budgeting (PB) in Seville provides an important example of the development of an autonomous 'self-regulated' sphere of citizens' democratic participation. The Seville process is very consciously a process of co-management, and the autonomy of the citizens' budgetary process is therefore a condition for that co-management to be genuine. Javier Navescués, an advisor to the process from left-wing think tank FIM, explains their thinking: 'it is important for the people to be able to deal with the state on an equal ground.' He adds that the process is changing people: 'people do not remain the same'. I ask him about the fear that popular participation will strengthen reactionary and selfish views. It was a fear he shared, but in

his experience, 'people's reactionary side is not reinforced – in fact, the opposite'.

He gave an interesting example of a lesbian, gay, bisexual and transgender (LGBT) group whose project had to be debated in a neighbourhood assembly dominated by gypsies with strong *machista* traditions. The LGBT group put their proposals to the neighbourhood assembly, and there was a strong argument, but it was agreed. 'The LGBT group told me that they would never normally have talked to these people. As a result of the PB process, they reached more people than ever before. The result of the process has been overwhelming support, and now far more of the project is being put into practice than they ever thought possible.'

Recycle the political class

The other side of the process is the role of elected representatives within the state – mainly we are talking about municipalities – who are sympathetic to participatory democracy, in that they want to open up political institutions to the knowledge and power of extraparliamentary democracy.

Here, the experience of Anna Pizzo in the Lazio region around Rome is instructive *(see article on page 7)*. Describing her attitude to what she can do as an elected representative, she says: 'I can only be a tool for the movements, and when they want to raise something I try to open up a table or create a space to bring them into the political institutions to get their demands met. On the other hand,' she explains, 'when the institution wants to do something, I work to ensure that it's not just a matter of hearing the movements, but of working with them to write legislation.'

Rethinking leadership

It's a modest statement, but very significant. It implies a radically different notion of being a 'representative' to that of the

traditional politician – including many politicians on the left – who see themselves in a special and separate political category: as leaders rather than servants, on too high a level to collaborate with those struggling in the institutions of everyday life. Moreover, the idea of 'opening up a table' and 'creating a space' effectively – if we generalise it – points to the importance of the 'participatory left' having programmes of radical institutional reform: measures such

as rights of popular participation in the development of legislation and in the monitoring of its execution; transparency and freedom of information; stronger mechanisms of accountability; and so on.

The left has often spurned constitutional reform, perhaps initially on the overly-optimistic grounds that popular movements will somehow move beyond existing representative institutions – and the answer is not to swing the other way, believing that all we hope for is minor institutional reform, achieved from the inside. But we must recognise that the shape of most of our present democratic institutions are a product not simply of the vote, but also of the ways that the political elites reacted to the mass franchise and then to the threat of communism: by devising constitutional forms, explicit and implicit, that mediate popular pressures, so that, in the end, even the loudest, most militant campaigns could be reduced to the sound of mice.

For change to take place, we need to cut away these protections and mediations and build on the ways

people are organising directly to create pressure for change – to give these struggles more direct political expression. Such a dual strategy sees us working within the institutions to open and transform them – as far as is possible – but always from a powerful base of democratic power, autonomous of the state. This raises the question: what kind of political organisation can give a lead to such a combined process, and, in fact, what does leadership in this context even mean? There's no answer that can be 'read off' the practice.

Rethinking political organisation

In Seville, the political leadership lies with independent activists and a minority (within the party) of like-minded activists, within a broader and more traditional left party. In Lazio it is mainly independent activists supported by Rifondazione Communista. The only case of a party which, at least in Rio Grande do Sul, put its full weight behind participatory democracy is the Brazilian Workers Party. Its leadership and ethos was an essential condition for the participatory budget process of Porto Alegre – but its limits after 15 years in office contributed to its defeat in 2004 *(see box)*. What can be learnt from this experience? It's a vital question, given that there is now world-wide interest in participatory budgeting if not participatory democracy in a more general sense, and yet its political conditions for its success are rarely discussed.

A good starting point for a discussion of this question of the role of political parties is the description which Olivio Dutra, a leading member of the Workers Party in Porto Alegre, gave of the underlying purpose, and presumption, of participatory democracy: to enable people 'to become the subjects of policy rather than the object of policy.' Political parties, as have we generally known them, have always assumed that their task is to win office and carry out change for, or

on behalf of, the people. The notion of people as *objects* of policy is built into their political mentality.

Citizens as knowing subjects

What must a political organisation be like – or what kind of political leadership is necessary – for people to become the subjects of policy rather then the objects of policy? A long discussion!
'Knowing is the task of subjects, not objects,' said Paulo Freire, who comes nearer than anyone to being a philosopher of participatory democracy. 'Knowledge necessitates the curious presence of subjects confronted with the world,' he continues, 'it requires their transforming action on reality; it demands a constant searching, it demands invention and reinvention. It claims for each person a critical reflection on the very act of knowing.'

At the risk of cutting a long argument short: to encourage and support participatory democracy, a political party has to lead processes of experimentation, critical reflection and challenge, through which people are able to educate themselves to become subjects and therefore knowing actors. It's not easy to think of a party which has given up its monopoly of political knowledge and become more of an emancipatory educator. Freire's thinking is the theoretical cultural underpinning of the PT's commitment to participatory democracy, but perhaps one of the problems behind the slackening of

its pace of innovation and political development is that the PT did not follow through the logic of Freire's radical epistemology for the process of participatory budgeting itself, as a sphere through which people potentially became subjects and therefore knowing actors.

To have led PB in this way, catalysing a process of popular self-education as part of its development, would have required a deeper notion of sharing power beyond simply sharing decision-making. It would have involved consciously working to create a culture and develop the capacities for sharing leadership, sharing the development of a collective process of self-consciousness and knowledge – all the features of emancipatory education about which Freire writes, translated into a profound democratisation of politics. For a political party, even one as innovative as the PT, that would have been difficult, especially once it embedded itself in government.

As I write, there are signs that a process of critical but practical reflection is being constructed independently of the PT, but in close connection with those working for renewal within it. What is especially significant is that it is a process of challenge and problematisation which is appropriately international, given the transnational influence of this remarkable but faltering experiment. Cidade and others, including the Transnational Institute and activists from Seville, have created a 'Popular Sovereignty Network', as an opportunity for critical reflection closely tied to involvement in current experiments in participatory democracy – for details of this network see www.ongcidade.org. In this way, we in Europe stick with the experience of Porto Alegre – not just as an inspiration and example, but also as a source of difficult questions and challenges which could deepen our knowledge and capacity to deal with the complexities that face us.

Hilary Wainwright

Whatever happened to participatory budgeting in Porto Alegre?

The most developed and well-known experience of participatory budgeting has been in Porto Alegre, the capital of the state of Rio Grande do Sul in southern Brazil. It was initiated by the Brazilian Workers Party (PT), working closely with urban social movements. But in 2004, after 15 years in office, the PT narrowly lost the election to a coalition of parties who were united mainly by their opposition to the PT – but a commitment to maintain the participatory budget was part of their election programme, as they would have lost the elections if they had not made such a commitment.

So, formally, the participatory budget (PB) continues, with regular meetings and people putting forward projects. But, unlike under the old administration when these meetings were often the site of strong negotiations between the state and representatives of popular organisations, new mayor Jose Forgacio's government barely turns up. Sergio Baierle from the organisation Cidade, which provides a regular report on the attitude and actions of the new government, describes how 'the government explains their absence using the language of empowerment and total autonomy'. He comments: 'it is taking some time to participants to realise what they mean by total autonomy: you are alone!'

The statistics show the consequences: there has been a dramatic decline in the percentage of projects from the PB that the government has carried out. Only 23 per cent of the proposals from the 2004 cycle of PB were implemented, and by 2006 the figure was down to 12 per cent.

Then there is the question of accountability. Cidade reports a decline in accountability in the way that finances are administered and public works agreed by the budget are carried out. The indications are that the *vereadores* (city councillors) are, once again, doing deals over the provision of public works and services to satisfy particular individual interests in exchange for their political allegiance.

The government's answer to the accusation that it is winding down the participatory budget is that PB is now part of its framework for 'Local Solidarity Governance' (LSG). It describe this as an attempt to engage the population, local government, private business and third-sector institutions in 'a great mobilisation of democratic, creative and cooperative energies' around the challenge of sustainable development. But such notions of 'governing through partnerships' with private, public and third sector bodies are commonplace in local government – for example, much of what they talk about echoes 'Local Strategic Partnerships' in the UK.

But what LSG evades, as the UK Local Strategic Partnerships generally do also, are the issues of democratic control and citizens' rights over how the government, and any new structures of governance, allocate and manage public money, in a context where representative institutions have proved inadequate. It has no open and transparent structures on the lines of the PB through which citizens could have democratic control over the nature of the partnerships or the public money allocated to, and through, them.

In allocating so little public money to the participatory budget and implementing such a relatively low percentage of its priorities, the present government demonstrates in practice that it is turning its back on this experiment. It goes through the rituals of the PB cycle because it knows that this it is politically and electorally necessary, but Fogaço and their colleagues would not lose sleep if it were to gradually wither away.

It is also important to note the increased role of private funding of community services, especially for children and young people. The PB in its present form has no influence over the allocation of these funds. Indeed, private companies can choose the project to which they give money – a practice that has grown considerably under the present government. At the same time, the 'burden' of taxation on the wealthy and on private companies has been considerably lightened.

Has there been resistance to this weakening of the partcipatory budget? What we have seen is a complex mix of sporadic and fragmented – but militant – protest, combined with dogged persistence with the meetings and processes of the PB. There have been occasional moments of pressure and anger, and, finally, a use of other spaces to press both neighbourhood, individual and sectional needs.

On the electoral front, municipal elections are taking place as this supplement goes to press, but while Fogaça's popularity is low (below 30 per cent in the polls), a PT victory is by no means assured. A candidate from the Communist Party of Brazil is proving popular, standing on a programme that bizarrely combines support for the PB with a promise to outdo Fogaça's fundraising from private business.

Participatory Democracy in 6 Steps

Step 1. Identify the symptoms that must be overcome
There must be an initial predisposition: something concrete that unites citizens and civic associations, and which opens paths for further convergence. Participation must be generated from the start – even if there are very few participants. Aim at building trust that can later be expanded. You need to 'recharge your batteries' as you go along, to avoid starting with a lot of people and a lot of energy, but later running the batteries down with a bad atmosphere. The first thing is to establish what seems to be the main problem, and for whom it is a problem. It should not worry us if, as we go along, we discover that the problems are more complicated than we first thought.

Step 2. Make a 'plan of action' with a catalyst committee (a group of committed volunteers)
It is important to be aware of the value of each contribution, but also its limits. Local authorities cannot be expected to know everything, or to take a lead just because they had it written in their electoral manifesto – but they can be expected to contribute financial means, as this is taxpayers' money. Social leaders cannot be expected to be the most representative, but they can be very active groups or individuals who come to collaborate. The citizens cannot be expected to produce a perfect situational analysis, but they provide the experiences that make it possible to understand the roots of the problem. Municipal technical staff cannot be expected to offer immediate solutions or to provide all the answers, but they can help provide methodologies.

Step 3. Structure and organise the demands, based on the most acutely felt and structurally important issues
The demands of an entire community cannot be easily summarised, but nor are they so individualised that no common interest can be found. The initial catalyst committee, or the local workshops, should create a 'social map' of the neighbourhood and the city. We are not only interested in which sectors have different economic interests, but also what cultural positions they occupy in relation to the problem in question.

Step 4. Devolve this information, its issues and proposals, to the widest possible spread of people involved
As we are not going to be able to resolve all the problems, start with the ones where there is the widest consensus as to their capacity to block the process – or to give it power. Here, it is appropriate to coordinate efforts, and go beyond who took this or that position. Then we prioritise some paths of action that have the potential to be the most collective, or the most creative, and try to accumulate consensuses with the widest stakeholder alliance possible, creating a model of the city that overcomes narrow sectoral interests. You can't expect everyone to agree, but the principled positions can be articulated into proposals that unblock the problems.

Step 5. Bring everything that has been raised back down to earth, in the form of specific projects
This can also be done in a participatory way, adjusting each process to specific needs and coming up with a core concept that has the capacity to attract a good number of those affected by the problem, and to inspire them to put it into practice in their lives. It is also necessary to establish what resources are available, whether they are economic (where money can be obtained), information (available spaces, media resources), or human (the time each professional or volunteer can devote to the process). This is important to ensure everything has credibility and viability, beyond well-intentioned volunteerism.

Step 6. Ensure participation in the execution and monitoring stages of the process
This means committees following the process to provide control, and support for the adjustments that will undoubtedly need to be made. No plan or project, however well conceived, will be completely adjusted to reality at the start. The project timetables are not there to be rigidly adhered to; we have them so that we know, and can justify, why we are deviating from them at a given moment. In this way, a continuous evaluation can take place, with a view to monitoring and making corrections to the process in response to the unexpected circumstances that will, no doubt, emerge. Participatory democracy must constantly adjust itself to the ever-changing realities that life throws up.

From Tomás Rodríguez Villasante, 'The Challenge of Participatory Democracy in European Cities'

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