
Participation, Activism, and Politics: The Porto Alegre Experiment*

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The experiment in participatory governance in Porto Alegre, Brazil stands apart from many other similar attempts to institute civic governance in Brazil and Latin America. Its breadth and scope distinguish it from other efforts, past and present, that simply do not involve as many persons or, more commonly, do not devolve as much decision-making power to popular mandate. Its central institutional feature of utilizing neighborhood-based deliberation also sets it apart from participatory governance schemes that rely on organized civil society through sectoral interfaces, for example by calling upon teachers to consult on education policy. It is also unusual because it has served the Workers' Party (*Partido dos Trabalhadores*, PT) well, securing for it three uninterrupted terms at the helm of municipal government and, recently, largely as a result of the successes in Porto Alegre, a term at state government. Its record on good governance also stands in contrast to many well-known electoral and institutional failures of leftist municipal administrations: São Paulo, Fortaleza, and Florianópolis in Brazil, or Caracas in Venezuela, as well as a number of much more limited participatory experiments in Montevideo, Uruguay and Córdoba, Argentina.¹

Despite the recent attention paid to Porto Alegre's innovative institutions, as well as a general interest in "participatory governance,"² little of this work explicitly addresses the theory of deliberative democracy – a body of thought that straddles normative and practical concerns of democratic governance.³ Deliberative democratic accounts vary in the attention they give to institutional arrangements, and here I will focus on the account of Empowered Participatory Governance of Fung and Wright. EPG develops an institutional model that would guarantee fairness and efficiency within a deliberative framework.⁴ Deliberative

democratic theory refers to a body of political thought that seeks to develop a substantive version of democracy based on public justification. More than “discussion-based” democracy, it calls for the deliberation of citizens as reasonable equals in the legitimate exercise of authority. It offers a way of transforming the preferences and intentions of citizens to enhance the possibilities for social cooperation.⁵

The empowered participatory governance proposal is an extension, and further iteration, of these accounts. What distinguishes this intervention from many others is its concern with institutional arrangements. A central feature of “real utopian thinking” is that it places affirmative responsibility on institutional design to bring real-world institutions closer to normative “utopian” ideals. The empowered participatory governance proposal is an ideal-typical design proposal for deliberative decision-making and pragmatic problem-solving among participants over specific common goods, and is in principle applicable to a wide range of situations. It centers on reforms that devolve decision-making to local units that are supported, but not directed, by a central body. These units are in turn empowered to enact their decisions. This model aims to foster redistributive and efficient decision-making that is deliberative and democratic and superior to command-and-control structures in several dimensions.

A number of empirical questions arise in light of existing experiments that more or less meet the model’s criteria. For example, can deliberative democracy ever be fair, or will those who are more powerful or well resourced dominate? While answers to these questions will not doom or “prove” the model, they raise issues about institutional features – which ones work and which ones bring us closer to normative ideals – that together with comparative and theoretical work can help to advance the theoretical and practical agenda of democratic reform. I will use the Porto Alegre experiment to raise three broad, central problems in the theoretical model: the problem of inequality, the problem of uneven civil society development, and the problem of politics. Based on a number of indicators about the Porto Alegre experiment collected between 1997 and 2000, I examine the implications of these problems and their solutions in this case, and offer extensions to the EPG model.

Each of the “problems” for the model is in reality an extension of the “real-world” question inspired by the call to utopian thinking: what are the difficulties encountered in the implementation of this design? The “problem” of inequality is not that persons are unequal, but that differences between them may hinder fair deliberation. Are participatory meetings dominated by certain citizens, for example? The “civil

society problem” concerns the impact of EPG upon autonomous civil society and how participatory institutions should “interface” with secondary associations that have uneven capacities. Do EPG fora empty out civil society or privilege areas rich with secondary associations? The “politics” problem is the question of whether such experiments thrive only in certain political contexts. When do EPG proposals call forth opposition from the powerful? What institutional features might account for their durability in the face of uncertainty?

In this spirit, then, I offer three critical reinterpretations. After a very brief discussion of the institutions of the participatory governance in Porto Alegre, I argue in the next section that the experiment offers a successful resolution of the problems of deliberation among unequals through its didactic functions. In the following section, I argue that the experiment also offers a hopeful example of how this relationship might work in a way that fosters new associations in unorganized areas of civil society. Finally, the very success of the participatory experiment necessarily begs the question of the context under which it has thrived. Here I argue that we should not forget legitimacy-enhancing features that, in a democratic context, foster its reproduction. These three types of concern should occupy a more central place within the EPG proposal.

I Background: Institutions of Participatory Governance

When the Popular Front, an electoral alliance headed by the PT, achieved victory in Porto Alegre in 1989 there was little agreement as to what, exactly, the “PT way” of governing⁶ would look like, beyond a broad agreement on democratizing and decentralizing the administration, reversing municipal priorities toward the poor, and increasing popular participation in decision-making. Attending to a longstanding demand of The Union of Neighborhood Associations of Porto Alegre (UAMPA), which already in its 1985 congress called for a participatory structure involving the municipal budget, PT administrators developed a set of institutions that extended popular control over municipal budgeting priorities.

Developing participatory institutions while managing a city of the size of Porto Alegre posed a number of difficulties for administrators. The city of Porto Alegre, the capital of the industrialized and relatively wealthy state of Rio Grande do Sul, stands at the center of a metropolitan area of almost three million persons. And although the city of 1.3

million enjoys high social and economic indicators, with its life expectancy (72.6) and literacy rates (90 percent) well above national average, it is also highly segregated economically.⁷ Almost a third of its population lives in irregular housing: slums and invaded areas. These slums fan outward from the city center, with the poorest districts generally the farthest from downtown, and generate geographically distinct economic and social zones throughout the city. This socio-geographic configuration poses distinctive obstacles to drawing representative popular participation.

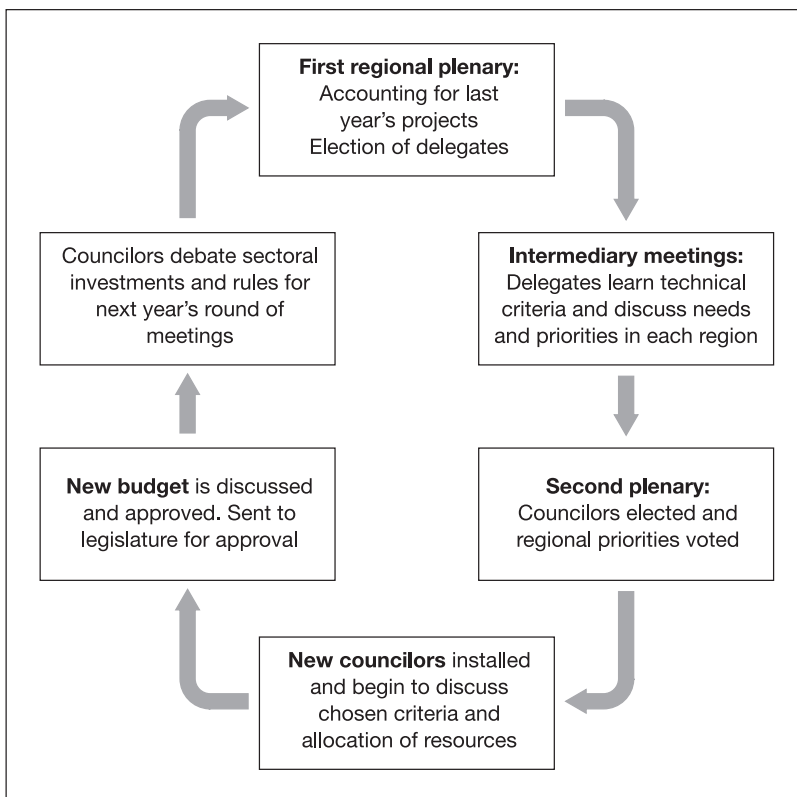
The *Orçamento Participativo* (OP), or the “Participatory Budget” (henceforth PB) has evolved over the years into a two-tiered structure of fora where citizens participate as individuals and as representatives of various civil society groups (neighborhood associations, cultural groups, special interest groups) throughout a yearly cycle. They deliberate and decide on projects for specific districts and on municipal investment priorities, and then monitor the outcome of these projects. The process begins in March of each year with regional assemblies in each of the city’s sixteen districts. These large meetings, with occasional participation of upwards of a thousand persons, accomplish two goals. First, they elect delegates to represent specific neighborhoods in successive rounds of deliberations. Second, participants review the previous year’s projects and budget. The mayor and staff attend these meetings to reply to citizens’ concerns about projects in the district. The number of delegates allocated to each neighborhood increases with attendees according to a diminishing marginal formula.⁸ Neighborhood associations or groups are responsible for electing their own delegates.

In subsequent months, these delegates meet in each of the districts on a weekly or bimonthly basis to learn about the technical issues involved in demanding projects as well as to deliberate the district’s needs. The number of participants varies, but forty to sixty persons regularly attend in most districts. In a parallel structure of thematic sessions, delegates deliberate projects that affect the city as a whole rather than those that concern specific neighborhoods. At both of these kinds of meeting, representatives from each of the municipal government’s departments attend to address issues that touch specific departmental competencies. These smaller Intermediary Meetings come to a close when, at a Second Plenary Meeting, regional delegates vote to ratify the district’s demands and priorities and elect councilors to serve on the Municipal Council of the Budget.

This council is a smaller forum of representatives. It is composed of a portion of representatives from each of the districts and thematic

meetings. Its main function is to reconcile the demands from each district with available resources and to propose and approve a municipal budget in conjunction with members of the administration. Its forty-two members meet biweekly with representatives of municipal government over several months. Councilors – two per district and two per each of the five thematic areas – maintain links with organizations and individuals in their districts during this phase. In addition to developing a city budget, this group amends the scope and rules governing the process itself. In recent years, procedural changes have included increasing the scope of areas covered by the PB, broadening the powers of the Municipal Council of the Budget to cover personnel expenditures of the administration, and changing the criteria for assessing how resources are to be allocated to each of the districts.⁹ The steps in this annual process are depicted in Figure 2.1.¹⁰

Figure 2.1 Annual Cycle of Participatory Budgeting



The Porto Alegre experiment meets the criteria of the empowered participatory governance proposal in a number of interesting ways. First, the process creates direct deliberation between citizens at the local level and devolves substantial amounts of decision-making power to these local settings. These citizens are involved in pragmatic problem-solving, and in monitoring and implementing solutions achieved. These deliberative processes occur continuously over the years, and thus provide opportunities for participants to learn from mistakes. These local units, though vested with substantial decision-making power, do not function completely autonomously from other units or from central monitoring units. Rather, central agencies offer supervision and support of local units but respect their decision-making power. In this case, support comes from the administration in the form of regional agents who act as non-voting facilitators.¹¹

The Porto Alegre experiment also shows how complex management of a whole city can occur through combinations of direct and representative democracy. The higher tier of the participatory structures, the Municipal Council of the Budget, brings together representatives of each of the districts. They deliberate on the rules of the process as a whole as well as on broad investment priorities; they also act as intermediaries between municipal government and regional activists, bringing the demands from districts to central government, and justifying government actions to regional activists.¹² Participatory governance has expanded beyond participatory budgeting meetings to new fora that now include social service and health provisions, local school policy, and human rights. And the PB itself has grown to include investments in education, culture, health, social services, and sports.

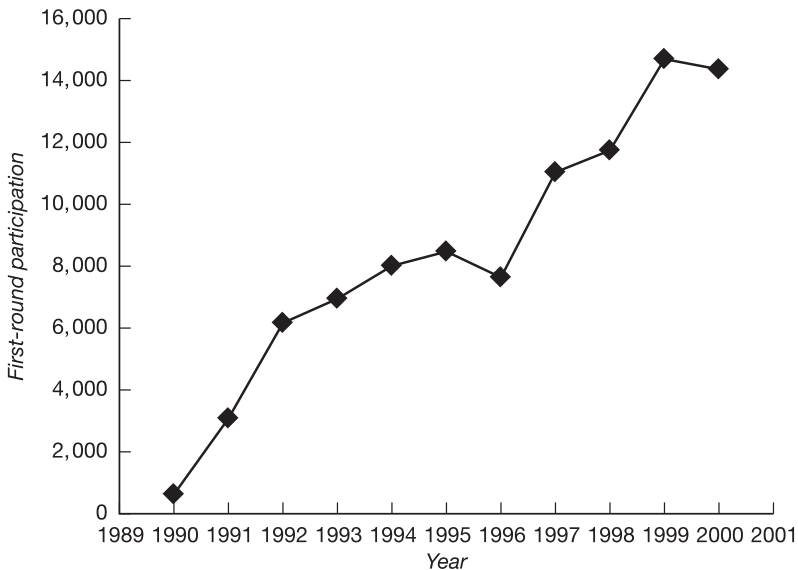
As part of a joint strategy to make urban improvements in the lowest-income areas while “cleaning up” public finances, the participatory budget has improved the quality of governance. The percentage of the public budget available for investment has increased to nearly 20 percent in 1994 from 2 percent in 1989. The legitimacy of public decisions from the PB has also made possible additional public finance improvements such as property tax increases and higher tax collection rates.¹³ The proportion of municipal expenses in service provision to expenses in administration has also improved.¹⁴ Of the hundreds of projects approved, investment in the poorer residential districts of the city has exceeded investment in wealthier areas as a result of these public policies. Each year, the majority of the twenty to twenty-five kilometers of new pavement has gone to the city’s poorer peripheries. Today, 98 percent of all residences in the city have running water, up from 75 percent in 1988; sewage coverage has risen to 98 percent from

46 percent.¹⁵ In the years between 1992 and 1995, the housing department (DEMHAB) offered housing assistance to 28,862 families, against 1,714 for the comparable period of 1986–88; and the number of functioning public municipal schools today is 86 against 29 in 1988.¹⁶ Similarly, these investments have been redistributive; districts with higher levels of poverty have received significantly greater shares of investment.

The PB has enjoyed increasing levels of popular engagement over the years, although participation rates have recently stabilized. Despite potential barriers posed by their technical and time-consuming discussions, large numbers of participants representing broad segments of the population have attended. Estimated yearly attendance at the PB, generated by a measure of participants in first-round meetings, is shown in Figure 2.2. An analysis of participation per district, not reported here, shows that while for the first year presence of associative networks was a predictor of participation, for every year after that district-level poverty, and not a strong civil society, predicts participation.¹⁷

A survey fielded by myself in conjunction with CIDADE, a local NGO, revealed that the socio-economic profile of the average participant at the first meeting of the year in 1998 fell below the city's average

Figure 2.2 Participation Trends: First-Round Participatory Budget Meetings, 1990–2000



in terms of education and income. Over half of participants have household earnings of four minimum wages or below, and over half lack education beyond the eighth grade.¹⁸ On the other end of the scale, better-off citizens are underrepresented, as roughly a third come from households earning five minimum wages or more, against the 55 percent of the city's residents generally who do so.¹⁹

The Porto Alegre PB is a successful instance of empowered participatory governance. As a set of institutions it has achieved efficient and redistributive decision-making within a deliberative framework that has also attracted broad-based participation from poorer strata of Porto Alegre's citizenry. Nonetheless, its very success raises three important issues for the model: inequality within meetings, the issue of civil society interfaces and civic impact, and whether that success requires particular political conditions.

II Deliberation and the Problem of Inequality

One of the main concerns of the critics of deliberative democracy is that its fora are likely to reproduce inequalities in society at large. Since this project addresses local priorities and needs in service provision and investments in urban infrastructure, it is not surprising that the poor are well represented. But do they participate as effectively as other groups? Does their participation yield similar benefits for them? Deliberative settings in which citizens meet to debate formally as equals could be dominated by the more powerful. Criticisms of the "public sphere" might also apply to deliberative democratic proposals. In one poignant objection, deliberative democracy may create a fiction of rational deliberation that is in reality elite rule. More sinisterly, exercises of justification could lend legitimacy to certain inequalities, or to the political party in control of the project. Despite significant inequalities among citizens, the didactic features of the experiment have succeeded in large part in offsetting these potentials for domination. This confirms the expectations of democratic theorists who, while assuming that persons may come to deliberative settings with certain inequalities, expect that over time participation will offset them.

For critics like Bourdieu, deliberation and participatory democracy reproduce hierarchies. On the one hand, they reproduce class hierarchies; on the other, they reproduce hierarchies of political competence of "experts" over non-experts. Bourdieu denounces the fiction of "linguistic communism" – that the ability to speak is equally distributed to all.²⁰ Because language is a *medium* (as opposed to only an

instrument) of power, utterances between speakers are always expressions of *relations of power between them*. The competence to speak embodies difference and inequality. A privileged class habitus imparts the technical ability to speak *and* the standing to make certain statements. This competence is a *statutory ability*, meaning that “not all linguistic utterances are equally acceptable and not all locutors equal.”²¹ Linguistic competence is not a simple technical ability, but certain interlocutors are not allowed certain speech acts. Bourdieu gives the example of the farmer who did not run for mayor of his township: “But I don’t know how to speak!”²²

There is also the theoretical expectation that relatively technical discussions and time pressures on poorer people pose obstacles to participation. As Jane Mansbridge writes of townhall participants:

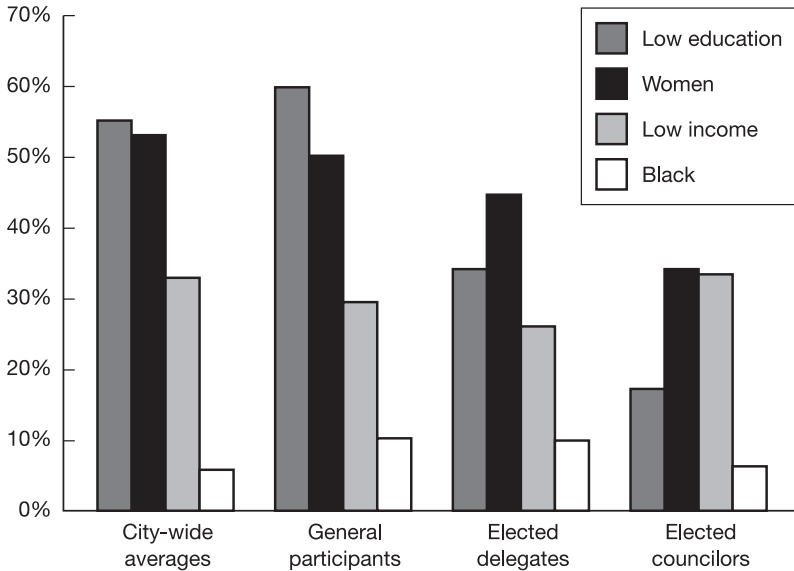
These patterns imply that the psychic costs of participation are greater and the benefits fewer for lower status citizens. In contacting town officials, for instance, they feel more defensive beforehand and less likely to get results afterward. In speaking at meetings they feel more subject to ridicule and are less likely to convince anyone. Each act of participation not only costs them more but also usually produces less.²³

While ethnographic and life-history evidence would be crucial to account for the full effect of deep inequalities in these meetings, it is possible here to deploy survey and participation evidence to consider some of these effects. The survey, discussed above, was administered at meetings in all districts of the city.²⁴ Figure 2.3 shows the results as a comparison of the proportion of participants by gender, income, and education against city-wide proportions at each tier of the process.

There is some stratification at the higher tiers of the process, with participation by women and persons of low education falling off, while low income does not seem to affect election. Women are just over 50 percent of general participants, though they make up only 35 percent of councilors.²⁵ Low-educated persons²⁶ are just over 60 percent of general participants, but constitute only 18 percent of councilors. Persons of low income²⁷ make up 33 percent of general participants, and 34 percent of councilors. The best estimate of race²⁸ of participants also suggests that there is no evidence of lack of parity on racial grounds.²⁹ Education appears to have the most pronounced effect, and particularly so at the highest tier.

There is no evidence, however, that lack of education or gender pose insurmountable barriers to effective participation, or that this stratification results from masculinist prejudice or prejudice against

Figure 2.3 Proportion of Low Education, Women, Low Income, and Black Participants against City-Wide Averages, 1998



less-educated speech. Ethnographic evidence from district-level meetings did not show any pattern of women or the less educated speaking less often or conceding authority to educated men.³⁰ Interviews among participants also revealed that they did not perceive such defects. Common perceptions among activists were like the ones offered by an old-time community activist, who was asked if low education among the poor was a problem for the PB:

No. I think it helps the OP, because it begins from below. It is not the suits³¹ who come here and tell us what to do. It is us. I am a humble person. I have participated since the beginning. And like me, there are many more poor people like me who are there with me, debating or helping in whatever way possible. And so I think the OP is enriching in this way, because it makes people talk, even the poorest one. It has not let the suits take over.

A survey question about how often a person spoke at meetings painted a similar picture. Responses to the question: “Do you speak at meetings?” (Always, almost always, sometimes, never) showed that there was parity between the poor and non-poor, and between the less educated and the rest. It also found, however, that women reported

speaking less often than men.³² However, the number of years of participation in the PB also turns out to offset this pattern significantly; years of participation in the process are a powerful predictor of whether persons will speak. Once we consider only persons with a certain number of years of experience, we also find that there is no significant difference between men and women reporting participation, or between persons with or without formal schooling.³³

Statistical analysis of election figures shows a similar pattern. When we consider several significant intervening variables – as years of experience, number of ties in civil society, being on the board of directors of a neighborhood association, and being retired or self-employed – neither gender nor education nor poverty significantly affected a person’s chances of election.³⁴ Each additional year of experience increased chances by 25 percent, and each additional tie in civil society increased the odds by 55 percent. Being retired increases the odds by over 200 percent, and being self-employed by over 80 percent.³⁵ These results together suggest that experience offsets education and gender disadvantages, and that education effects stem from a person’s likelihood of being elected to a position in civil society and do not directly result from what counts within PB meetings.³⁶ This evidence also strongly suggests that the availability of time and women’s “second and third shifts” of household responsibilities account for many, if not all, of these differences, particularly with respect to gender. Opinions such as these are typical:

Men are always flying about. To be a councilor you have to be able to go to many meetings, in the evenings, and in many different places. So even if you don’t have a job outside, you still have to take care of the house. So I’d say this is more difficult for women.³⁷

It’s difficult, but we always find time somehow, because I work, get home and then I feed the children, then I go to meetings. Sometimes my sister gives me a hand, sometimes the neighbor helps, but it’s difficult.³⁸

This analysis of inequality within participatory budgeting yields several insights. First, lack of highly educated speech does not pose a high barrier. Bourdieu’s farmer, who did not “know how to speak,” might have found in the institutions of participatory governance in Porto Alegre a place where his type of speech might have been valued. Certainly there are other standards for valued speech, but these do not correlate with class or education. It is also clear that *outcomes* of participatory decision-making also do not reflect domination. This domination would be evident if outcomes were systematically distorted

in the direction of the distribution of investments toward more powerful citizens. If the more powerful had indeed been able to manipulate outcomes there would not be rules that privileged “regional need” over number of participants, for instance.³⁹ It is also clear that the heterogeneity of persons has not derailed deliberation.⁴⁰

This experience highlights the importance of the didactic component of PB meetings. From the perspective of individuals, the institutional design includes many meetings devoted to learning procedures and rules, as well as more specific technical criteria for municipal projects. Persons acquire specific competencies related to budgeting, but also acquire skills in debating and mobilizing resources for collective goals. And the evidence suggests there are fair opportunities for advancement for newcomers.⁴¹ One participant with only a few years of schooling, elected councilor early on in the process, discussed his experience as a less-educated person:

I had to learn about the process as the meetings took place. The first time I participated I was unsure, because there were persons there with college degrees, and we don't have it, so we had to wait for the others to suggest an idea first, and then enter the discussion. And there were things from City Hall in the technical areas, we used to “float.” But with time, we started to learn.⁴²

An explicit part of the design of the PB is a didactic component inspired by the “popular education” methodologies of Paulo Freire and the Ecclesiastic Base Communities.⁴³ As is clear from early materials of the administration, the ideas of popular educators of urban social movements were an important source of inspiration in how to run meetings and how to develop norms of dialogue that were respectful of different types of speech.⁴⁴ Meeting facilitators are always aware of their function as partially didactic. One of these facilitators discussed her functions:

Another task [. . .] is to preserve and help diffuse certain values. The participatory budget demands the construction of cooperation and solidarity, otherwise the logic of competition and “taking advantage” becomes established, creating processes of exclusion. Therefore, negotiations inspired in a solidaristic practice must be a constant in the pedagogical actions of facilitators.⁴⁵

This didactic component is one of the salient features of the PB and alerts us to the fact that while persons may “naturally” learn from attending deliberative meetings, intentional design features make the

learning more or less available to all. The evidence here both confirms the best expectations of deliberative democratic theory – that vast segments of participants are able to learn to participate effectively – and points to the importance of a self-conscious strategy to impart that learning. That this does not fully offset inequalities suggests that more institutional intervention is needed, though perhaps in novel ways that change time commitments necessary for effective participation. On the whole, however, the profile of the highest tier of participants in budget meetings shows that this institution is a tremendous advance over traditional democratic forms in Brazil.⁴⁶

III Interfaces with Civil Society

Interviews showed that as persons became deeply involved in negotiations and became acquainted with other persons in the district involved in similar problems, they established lasting bonds with activists of other parts of their district and developed solidarities. This collective learning lies at the root of the transformations in civil society in Porto Alegre. Many associations in civil society have emerged since the inception of the PB. In this section, I develop a second extension to the EPG proposal around the issue of interfaces with civil society.

One of the vexing issues for the model of empowered participatory governance is the relationship between deliberative democratic fora and civil society. Autonomous institutions of civil society are generally positively valued as the repositories of democratic practices and impulses in society; organizations in civil society might also have the best information and access to certain problems that the participatory scheme is designed to address. Relying on organized civil society in an institutional design might, for example, inadvertently favor citizens who are represented by formal and established organizations against citizens who do not enjoy such representation. It might also inadvertently reproduce and harden “movement oligarchies” by giving leaders of such organizations – that may not meet our normative democratic standards – additional legitimacy and political capital. There are also a number of negative expectations about the impact of participatory fora on civil society. If participatory fora run parallel to – coexist with – civil society, they may empty out fora of civil society by providing more efficient (and state-backed) channels for addressing collective problems. If participatory fora interface directly with civil society, might they co-opt movements? Or might local decision-making fora “balkanize” political life?⁴⁷ Cohen briefly addresses another possibility altogether,

that deliberative democratic institutions might foster new forms of solidarity and help construct civil society:

Notice, however that both the inclusion of nontraditional stakeholders and the development of deliberative arenas suggests a new possibility: that of constructing new bases of solidarity through a process of defining and addressing common concerns. [. . .] In short, these efforts – which could have very wide scope – have the potential to create new deliberative arenas outside formal politics that might work as schools of “deliberative democracy” in a special way.⁴⁸

The Porto Alegre experiment has operated as a “school of deliberative democracy” rather than co-opting or hollowing out civil society. Participatory governance in Porto Alegre has, in fact, fostered new and more interconnected institutions within civil society. It has renewed leadership in civil society and “scaled up” activism from neighborhoods to municipal and district levels. Here I briefly explore the institutional features of participatory budgeting that account for these changes.

One of the most obvious transformations of civil society has been the rapid rise of new associations throughout the city. Although precise figures are difficult to establish, estimates for the number of neighborhood associations are shown in Table 2.1.⁴⁹ The table gives very general estimates of the trends in the transformation of civil society in Porto Alegre.

Table 2.1 The Development of Civil Society in Porto Alegre, 1986–98

<i>Year</i>	<i>Neighborhood associations^a</i>	<i>Cooperatives^b</i>	<i>Regional popular councils^c</i>
1986	240		
1988	300		3
1990	380		5
1994	450	11	8
1996	500	32	11
1998	540	51	11

^a Functioning neighborhood associations, estimated from unpublished documents from UAMPA, The Union of Neighborhood Associations of Porto Alegre, from CRC, the Center for Community Relations of the Municipality of Porto Alegre, and Baierle, *A explosão*.

^b Estimated number of housing cooperatives from interviews.

^c Popular councils are district-level voluntary entities that coordinate neighborhood associations.

The rise in the number of associations has been dramatic, and follows the increasing success of the PB throughout the years. By my conservative method⁵⁰ of estimation, associational density has almost doubled. Neighborhood associations are not the only type of organization in civil society. A number of other types of entity, such as Samba schools, religious and cultural groups, soccer clubs, mothers' clubs, social movements, professional organizations, and unions are part of civil society. In regional settings, many of these other entities revolve or center around the neighborhood association. There is also a limit to the number of neighborhood associations, which can help prevent an inflation in the measure due to credentialing. My survey of associational life in three of the city's districts found that 80 percent of associations held meetings at least once a month, and that over half had meetings more than once a month.

Popular Councils measure the interconnectedness of associational life. The creation of functioning popular councils was an innovation in civil society during this period. From Table 2.1 we see that the number of regional popular councils today is much greater than before, and almost all function with greater regularity. Popular councils are autonomous institutions that hold regular regional meetings on a weekly or bimonthly basis for representatives of neighborhood associations as well as independent citizens wishing to discuss the district's problems. The founding statutes of one of these councils, in the Partenon district, states that its purposes are:

1. To obtain and share information about the municipal administration . . .
2. To monitor public institutions . . .
3. To decide upon questions referent to our district, to the city, the state, and the country.
4. To create proposals to the public administration.
5. To define proper policies in the areas of transportation, social service delivery . . .
6. To participate in the planning of the city, state, and country.
7. To foster and support popular organizations.⁵¹

While popular councils do not exercise power over neighborhood associations, or over the PB, they often coordinate activities between neighborhood associations (to make sure a fund-raiser will not overlap with a cultural event in a nearby neighborhood), settle disputes among them and, more importantly, deploy collective resources to solve regional problems. Often popular councils act as intermediaries between associations and municipal government, approaching the government with the moral mandate of forty or fifty active associations. The founding

statutes above show how popular councils have political goals such as sharing governance and scrutinizing public administration.

This picture contrasts with the situation in 1988. While much of the city had little associative activity, neighborhood associations and oppositional social movements were active in five or six of the sixteen districts into which the city is today divided. There was a functioning umbrella group for neighborhood associations, UAMPA, which according to a 1988 count, had approximately 150 associations registered. Today, associational life has grown more dense throughout the city. The segregated geography of Porto Alegre means that these changes have occurred most dramatically in the city's peripheries, areas with the least prior organization. The poorest districts of the city have felt the greatest impact.

An activist in the poorest district of the city, Nordeste, who has followed the process closely, accounted for these changes:

New leaders appear with new ideas every year and they are hard workers and full of good intentions. Our district has benefited a lot. Many of the new vilas now have developed associations to fight through the participatory budget, and old ones are reopening to go and make their demands in the participatory budget. Every year two or three new associations appear.⁵²

Activists describe a common pattern of neighborhood association development that begins with collective mobilization around common demands. Sometimes there already is a registered, but inactive, association for the area. Nonetheless, one or more concerned persons will begin to attend PB meetings and eventually mobilize a number of concerned neighbors who then attend as an ad hoc group that later becomes a more permanent association:

We began by attending the participatory budget meeting. There used to be an association here, but it was more social and less interested in the problems of our side of the vila. So we went with a different name, and today we are registered as an association. We were able to get part of the street paved but we are still going to go back because there is a lot we still need.⁵³

A smaller survey I conducted among "key activists" (n = 104) – regular participants in a regional forum – in three districts of the city shows that most participate in a number of different fora. On average, activists participate in two to three meetings per week, and are regular attendees in three to four different fora. There were regional differences, but 44 percent of activists participated regularly in a forum with a regional or municipal focus other than the PB or regional popular

council. Almost all activists reported participating regularly in their local neighborhood association – which suggests that there are significant ties between local, regional, and municipal settings.

A number of respondents echoed that this indeed was an important process for developing more permanent networks of activists. For example, one woman described her trajectory from initial involvement in the Forum of Cooperatives to becoming an elected delegate and councilor, and the way the PB has helped foster enduring bonds:

After starting to participate in the Forum of Cooperatives, I started to become involved with community leaders and wound up being elected as a Delegate of the Participatory Budget. At first, I did not understand much, but with time I started to get it. I got a group together from our cooperative to come on a regular basis. I then was elected to the Council. There it was where I really learned what is a movement, what a community leader does. It was an incredible learning experience in becoming a community leader.⁵⁴

And a number of municipal mobilizations have resulted. The hunger campaigns in 1991 and the Human Rights Municipal Conference of 1997 drew activists from all districts as regular participants. A kind of city-wide solidarity emerged from participatory governance. Some of these municipal initiatives such as the human rights conference are sponsored by City Hall, but they have been peopled and organized by community leaders from participatory fora. Participants in the process often recounted that civil society had changed in these directions – toward municipal and regional focus – and they often thought that the process had compelled them to broaden their own horizons and see themselves as activists for a larger collective:

As delegate and councilor you learn about the district, meet new persons, become a person who has to respond not only to your association, but also to the district as a whole and the city as a whole. I participated in the two congresses to decide the *Plano Diretor* [municipal planning priorities] and since I have worried about the city as a whole. After a year, I learned not to look only at the district, but that you have to look at the city as a whole.⁵⁵

Consider the institutional features (and their alternatives) of participatory governance in Porto Alegre that account for these changes. One of the most salient features is its manner of recognizing participants and collectives. In the late 1980s, leftists in Brazil debated how leftist governments should interact with civil society. In São Paulo, for example, after the PT victory in 1989, some held that popular councils should be consultative and others argued that they should be deliberative. If

popular councils were consultative, they would be part of the government's organizational structure, and if they were deliberative they would remain as autonomous associations inserted into municipal government.⁵⁶ In Porto Alegre, an early vision of interaction with organized civil society – presidents of neighborhood associations, for instance – gave way to a “laissez faire” relationship to civil society.

A hallmark of the PB is that anyone can in principle participate in deliberations. At meetings of the PB where organizations are counted, participants are asked which organization they represent in order to tally votes, but the deliberative processes do not discriminate between “actually existing” neighborhood associations and a momentary association of persons who decide to call themselves a “street commission.” Some leaders of the neighborhood movement felt “slighted,” but the practice reduces the advantages of prior organization. It has created a system that actually fosters the creation of new associations, as well as the creation of parallel organizations to counter unresponsive ones.

But participatory institutions here address issues that were already central to civil society concerns. For instance, in Porto Alegre in 1989, many neighborhood associations contested the poor quality of urban infrastructure and services. Municipal government might also have created deliberative channels to address environmental issues or the cultural policy of city government, both of which have since become part of participatory governance. Both would have no doubt attracted activists, but would not have attracted the attention of civil society as the PB did, and would not have reshaped it. Because significant proportions of the activities of neighborhood associations went to securing urban services and the PB offered a completely novel way of achieving those goals, civil society evolved even as it transformed its relations with municipal government. As an interviewee reiterated:

Before you had to go to the *vereador's* (councilperson) office when you had to get something done, you had to go and sit in his waiting area, sometimes for more than a whole day. When you saw him you told him why you needed this street or materials for the (neighborhood) association building. It was always an exchange. Or you would bring a petition with lots of signatures to DEMHAB to show you had respect in the community. Today it is different. This brought big changes to the associations, because it was what we mostly used to do.⁵⁷

Importantly, the PB has also made some of the principal tasks of neighborhood associations much easier. As another interviewee states,

Before the participatory budget, the associations used to work by themselves. Each one would write up its demands and go to the government. Today, 90 percent of the business of associations is through the participatory budget. All our main demands are through the participatory budget. And even complaints are through the participatory budget, because of the councilors. Councilors can speak directly with the government. Sometimes a president will take a month to get an audition from the government and a councilor will get it in a week.⁵⁸

There is no direct incentive to create an association, as mentioned earlier, since formal existence is not a requisite for participation. But the calculus for forming an association has changed. For example, participants were asked if they used to participate more or less in civil society prior to the PB. While 10.2 percent of respondents did indeed participate less, 26.7 percent participated the same (in addition to now participating in the OP) and 26.7 percent participated more.⁵⁹

While not part of the stated goals of the PB, its institutions provide a number of indirect “subsidies” for civil society. As mentioned earlier, the PB has individual didactic effects. But the PB also recruits activists into associations of civil society, and provides political education for most new activists today. In my smaller survey, of the 104 activists, approximately half had their start in associative life through the PB. Of activists with less than five years’ experience, the vast majority had their start in the PB. Another “subsidy” that it provides is the regional forum in which activists meet other activists, share information and learning, and coordinate mobilization across districts. Observers of the process, such as Gildo Lima, one of the architects of the participatory structures in the first administration, argue that civil society has indeed become less locally focussed as a result of the PB, and that a new form of mobilization has emerged:

This type of mass mobilization campaign has become rapid, dynamic, and has established a frequent “network of conversations.” While I don’t speak to my neighbor who lives in front of my apartment, [. . .] in this network the guy who lives here speaks with the guy who lives on the other side, and the one who lives really far away, every week because of this process. Many people do not realize that we have created the capacity for dialogue every week as a result of the participatory budget.⁶⁰

In the case of the PB, unlike the Associative Democracy proposal of Cohen and Rogers,⁶¹ there are no institutional checks on associations for standards of democracy. And while this design has succeeded in fostering new associations, there is no assurance of the “internal quality”

of these organizations. While architects and managers of the PB in Porto Alegre are well aware that certain neighborhood associations may leave something to be desired in terms of certain procedural standards, City Hall has nevertheless maintained the position not to interfere in popular organization. The experience of political repression, or of state-controlled labor unions and neighborhood associations in Brazil's recent past, accounts for this reluctance to interfere. But an additional feature functions as a potential check: just as the PB will recognize any association, the door is always open for parallel groups to lay claim as associations also. The PB allows for persons to associate informally and to represent a district or a neighborhood, whether or not it is officially in existence. If a recognized association is not sufficiently responsive to persons in a community, members may "secede" through the PB and eventually become dominant by earning respect by achieving goals in the PB.

IV The Context of Participatory Reform

A final issue for the model of empowered participatory governance is the enabling context of participatory reforms. Many of the other Workers' Party administrations that were elected in 1988 and 1992, such as that of São Paulo (1989–92), failed and so discredited the municipal branch of the party. Other municipal administrations who experimented with comprehensive participatory reforms, like the Florianópolis administration (1992–96) in the state of Santa Catarina, under the Popular Socialist Party (PPS) did not achieve re-election. While it is beyond the scope of this chapter to discuss in detail what background conditions perhaps made Porto Alegre different from some of these other cities, here I discuss "what went right" and suggest that the EPG model ought more fully to consider governance outcomes as a condition for the reproduction of deliberative institutions in competitive democratic arenas. More specifically, I suggest the issues of institutional capacity to deliver results for participation enable deliberative democracy to enhance the legitimacy of governance and sometimes extend that capacity.

One key to the generation of these positive civic outcomes was that the reforms delivered public goods promptly to convince skeptical and time-pressed residents that participation is worthwhile. The experiment would have failed as a participatory institution if it had not produced tangible material improvements.⁶² Students of urban politics in Latin America have pointed to "bounded rationality" problems of

the poor in terms of democratic participation.⁶³ Participation may not make much sense for poor persons save for an assurance of timely returns. In highly fragmented social contexts, or where persons are not accustomed to civic engagement, the equation may be even more stark. In addition, effective deliberative governance may generate practical opposition as its redistributive consequences become evident.

Part of the explanation for the success is that “good governance” has always been central to the PT’s agenda. From this commitment, it has made significant resources available to the PB. With decentralization reforms codified in Brazil’s 1988 Constitution, cities gained new ways of raising revenue through vehicle, sales, and services taxes. Porto Alegre has been a relative winner by virtue of being a capital city in a wealthy state, and has raised enough revenues to keep pace with the increased fiscal burdens placed by the devolution of social services while carrying out new investments. The Porto Alegre administration, with yearly revenues today well over US\$150 per person, has the capacity to offer many more returns than some of the municipal governments around Porto Alegre. For example, the commuter cities of Viamão and Alvorada have elected PT mayors but, with per capita revenues at a fraction of Porto Alegre levels, have failed to draw sustained attendance in participatory meetings.⁶⁴

But these successes stem from the way in which participatory governance in Porto Alegre enhances the legitimacy of government decisions; this has in turn extended the capacities of municipal government. After the first year’s budget was drawn up through the PB in Porto Alegre, the next legal step was to have it approved by the municipal legislative. While a majority of the city council was hostile to the PB and the Workers’ Party, the submitted budget was approved without alterations. Popular pressure protected the autonomy of the process; participants from meetings personally went to the office of councilpersons to exert pressure. Despite a negative media campaign, they succeeded in guaranteeing the budget’s approval.⁶⁵ The element of public justification from deliberations over the budget makes it difficult for politicians in the context of a democracy to oppose something that is a result of the “public will.” Today, although the PT has not achieved a majority in the municipal legislature, the budget has been approved every year without major alterations.

There are other ways in which the legitimacy of the municipal government has extended its capacities. Genro argues that the PB has generated public support for raising land-use taxes; these new taxes were largely responsible for the revenues available for public investment through the PB.⁶⁶ And as has been pointed out, the increased

compliance with taxation has also increased revenues; though it is difficult to establish the degree to which this results from the PB, the increased legitimacy of the administration's policies no doubt help account for it. The continued ability of the municipal government to secure financing for projects also comes from public scrutiny of several thousand citizens over public funds.⁶⁷

In fact, the success of the Porto Alegre experiment comes from its legitimacy-enhancing aspects rather than from "exceptional features" of the city's history. While Porto Alegre has a unique history of left-populism dating back to the 1930s, the Workers' Party came to play a part in municipal politics in opposition to the left-populist party, the PDT, winning the 1988 municipal election in large part as a protest against the PDT's failures of governance.⁶⁸ Other cities in Brazil, like São Paulo, where the PT did not re-elect its administration, possessed comparable, if not stronger, community movements and supportive unions. One of the key problems of many early PT administrations was their inability to give voice to organized social movements within the administration without succumbing to the charge of privileging "special interests" and without becoming embroiled in interfaction disputes between social movements within the party.⁶⁹ The PT administration in São Paulo, for instance, came under attack for giving "special privilege" to social movements sympathetic to the party without considering "the whole city's interests." Without a broad-based participatory system that drew participants from outside organized movement sectors, the municipal government was open to the charge of "left patronage."⁷⁰ And without a clear system of rules for negotiating competing interests, the administration in time also came under attack from segments of the Party that accused the administration of "class treason" for attending to the interests of business in certain decisions.⁷¹

Enhancing the legitimacy of government may not, by itself, always assure the reproduction of EPG institutions. But in the case of participatory budgeting, both of these types of problem – charges of patronage, and attacks from segments of the base of support of the party for not giving enough resources – are averted in an open, and transparent, participatory system like Porto Alegre's. In fact, PT administrations have become more successful in gaining re-election as the open style of participatory reform of the PB has become the standard for municipal governance. PT municipal governments with Porto Alegre-style participatory budgeting systems were re-elected more often in 1996 than in 1992, and the PT has continued to gain municipal administrations on the basis of the well-known success of participatory budgeting in delivering effective governance.

V Conclusion: On the Fertile Grounds for Utopias

The model of empowered participatory governance offers a set of institutional designs intended to solve many of the problems of both command-and-control institutions and inefficient New Left proposals. Deliberative decision-making that is sufficiently empowered in the correct way holds promise for efficient, redistributive, and fair decision-making. The Porto Alegre experiment I have described seems to both fit the model and confirm its optimistic expectations: high numbers of participants from several strata of Porto Alegre's society have come together to share in a governance structure that has been efficient and highly redistributive. I raised three issues that I believe are important across the range of EPG cases by extending the "real-world question" to a range of situations that ought to be difficulties for the PB.

I have suggested that despite the strong inequalities of urban Brazil, participation of the poor and uneducated is present and that the wealthy and educated do not dominate. The institutional feature of relevance is the didactic component that appears to offset these tendencies. The lesson is that participatory institutions should include mechanisms to deal with inequalities specific to their settings, and that we should reframe "the problem of inequality" as a problem of contexts rather than as a problem of persons. The difficulty with lack of education or of the poverty of participants is not that these are in themselves barriers to deliberating or collective problem-solving. Persons across all walks of life are effective problem-solvers and discussants in their own affairs. The difficulty involves establishing settings in which certain types of speech are not more valued than others, and in which opportunities for learning are broadly available. The data also showed lack of parity on gender dimensions; however, this may have more to do with the availability of time and schedules of meetings than deliberative competence per se. It is also clear that the participation of women in the higher tiers of the PB represents a significant advance over traditional democratic institutions. The proportion of women in the city council in Porto Alegre has never been above 10 percent, compared to over a third of the Council of the Budget.

I also discussed the impact of institutions on civil society. The remarkably positive impact of the reforms here stems from the type of interface with civil society and the incentive structures to participation. The PB supports civil society in a number of indirect ways, creating a "network of conversation," training activists, and making the task of neighborhood associations easier. This impact is not trivial; an

organized and intermeshed civil society can help sustain a participatory experiment such as this one by sharing in its responsibilities in ways that individual citizens cannot. A survey question about how persons came to find out about budget meetings showed that among poorer persons, face-to-face interactions, through neighborhood associations and popular councils, was the main channel. A survey of the sixteen regions showed that popular councils supported budget meetings directly and indirectly through advertising them, recruiting new participants, and running meetings. The impact on civil society may be more appropriately described as a set of “synergies” than simply as a one-way support.

I also explored the enabling context for these reforms, the “politics” that make it possible, and pointed to legitimacy-enhancing features of participatory reforms that may extend the capacities of government to carry them out. The ability to satisfy participants’ expectations is, in the context of strong need and a competitive electoral democracy, crucial to the survival and reproduction of the institution.

Another sense in which its “politics” are important is related to the origins of this utopian experiment. One question left for further research and reflection concerns the role of motivating political visions. In this case, the *raison d’état* driving Porto Alegre’s participatory experiment was a radical democratic vision of popular municipal control and the inversion of government priorities away from downtown and toward the peripheries. For many PT administrators, participatory reforms are part of a broader transformative project. An early debate in terms of progressive administrations was whether municipal governments should function with the goal of most efficient and democratic delivery of services, or play a role in a larger culturally transformative project. One prominent PT intellectual, Jorge Bittar, writes in an official publication that:

The inversion of priorities and popular participation are necessary, but not sufficient, components for a transformative project. An alternative project of local power must consider actions on two levels: at the municipal political power and in local society [. . .] the clash with the values that sustain local hegemony at the local level becomes a conflict that must cross all of our actions.⁷²

Writings from the early days of the process document lofty objectives for a popular administration, as when the PT candidate for mayor Olivio Dutra wrote that popular councils would “restore the historical legacy of the working classes in giving form and content to

democracy.”⁷³ Early activists within these reforms were guided by visions of radical democracy borne of the Ecclesiastical Base Communities, of labor and urban movements, and of activism within socialist parties. These “true believers” helped establish popular deliberation early in the various districts.⁷⁴ One of the more experienced activists described his concern for new persons in terms that tell of an activist calling:

The most important thing is that more and more persons come. Those who come for the first time are welcome, we have a lot of patience for them, there is no problem, we let them make demands during technical meetings, they can speak their mind and their anxieties. We have patience for it because we were like that once. And if he has an issue, we set up a meeting for him, and create a commission to accompany him. You have the responsibility of not abandoning him, of staying with him. That is the most important thing.⁷⁵

As Cohen writes, deliberative democracy is at its best a process whereby participants reconsider and reconstruct their preferences.⁷⁶ The question we can ask is if it makes a difference if deliberation takes place not just under the aegis of rationality and problem-solving and with the goal of reforming government, but also under the aegis of empowerment of the poor and social justice, and with a goal of social transformation and rupture, visions borne of social movement activism and oppositional politics.

At the time of writing (2001), the PB appears to have become fully consolidated. In its fourth term, the administration concentrated on increasing the quality of the meetings rather than increasing the numbers of participants. Civil society activists have become concerned, in fact, with whether the PB has become too successful and whether civil society has become too oriented toward it.⁷⁷ The PB has been extended to state-level government, with ex-Porto Alegre Mayor Olívio Dutra as governor of the state since 1999, and a number of experiments with variants of participatory budgeting currently ongoing in over a hundred PT-controlled cities in Brazil. This large and decentralized experiment in empowered participatory governance, in a variety of diverse settings, will show whether variants of PB-style participatory reforms are robust enough to guarantee successes in a wide variety of contexts, or whether local variations more suited to local conditions will generate other novel forms. In either case, the legacy of this experiment should be watched with interest by students of participatory governance and deliberative democracy.

Appendix 1: Statistics

I analyzed a representative sample of PB participants drawn from first plenary meetings in March and April of 1998. Respondents were randomly selected from participants at each regional and thematic meeting and were asked to answer a questionnaire. If the person had difficulty in answering the questionnaire in written format, an interviewer would complete the questionnaire. The sample of participants was roughly 10 percent of the total number of participants. The survey was designed and applied by myself, members of an NGO, CIDADE, in Porto Alegre, and municipal government employees. For this analysis, the models were restricted to variables of interest. Independent variables of interest included Female, an indicator variable that assumed 1 for female; Poor, an indicator dummy variable for income up to two minimum wages; Low Ed, an indicator variable for education up to the 8th grade. Important intervening variables were the indicator variables Retired and Self Employed based on self-reporting; Experience was a count of years of participation in the OP; Ties was the number of ties in civil society, and Directorate, was an indicator variable of whether the person had been elected to a directory position.

Logistic Coefficients Predicting the Likelihood of Election to Delegate Position in the OP, 1998

<i>Independent variables</i>	<i>Model 1</i>	<i>Model 2</i>
Female	-0.53 (0.20)**	-0.48 (0.26)
Poor (1)	0.004 (0.23)	0.10 (0.28)
Low Ed (1)	-0.50 (0.21)*	-0.21 (0.26)
Years	—	0.23 (0.04)***
Ties	—	0.44 (0.09)***
Directorate	—	0.82 (0.26)**
Retired	—	1.18 (0.31)***
Autonomous	—	0.59 (0.28)*
Constant	-1.64 (0.11)***	-2.11 (0.27)***
Chi-Squared	13.95**	141.91***
-2L.L.	683.53	473.33

Note: numbers in parentheses indicate standard error.

* p < 0.05

** p < 0.01

*** p < 0.001

Appendix 2: Weights and Criteria for Allocating Resources

Once municipal priorities for the year's budget are established by the Municipal Council of the Budget, specific investments are divided among the city's districts according to three criteria:⁷⁸

1. Lack of the specific public service
 - Up to 25% of district's population: 1
 - 26 to 50%: 2
 - 51 to 75%: 3
 - 76 to 100%: 4
2. Total population of the district, in thousands:
 - Up to 49,999: 1
 - 50 to 99,999: 2
 - 100 to 199,999: 3
 - above 200,000: 4
3. How the district prioritized the specific service
 - Fourth or below: 1
 - Third: 2
 - Second: 3
 - First: 4

Appendix 3: Development of Participatory Structures in Porto Alegre, 1983–98

- | | |
|---------|---|
| 1983 | City-Wide Organization of Neighborhood Associations founded |
| 1986–89 | Failed attempts at City Hall participatory structures |
| 1987 | First Popular Councils developed throughout the city |
| 1988 | First Health Councils developed |
| 1989 | PT victory, participatory budget announced |
| 1990 | First rounds of participatory budget meetings, in five regions |
| 1991 | Direct voting for Tutelary Council introduced
Number of regional meetings increased to 16 |
| 1992 | Number of participants in participatory budget takes off |
| 1992–95 | Participatory structures widened to include municipal councils on housing, social assistance, child and family services, and technology |

1993	City-Wide Congress to debate directives Municipal Health Council
1994	Direct voting for municipal school directors introduced Theme-oriented meetings introduced
1995	City-wide Forum of Child and Adolescent Services
1996	Human Rights Council instituted Municipal Councils on human rights, environment
1997	City-Wide Forum of Cooperatives Participatory planning of schools
1998	Human Rights Conference Second City-Wide Congress, Health Congress
2000	Thematic meetings expanded to six areas

Notes

* As noted in the article originally published, this work would not have been possible without the generosity of CIDADE, in Porto Alegre, the *Prefeitura* of Porto Alegre, and the participants of the OP, or the participants in the Real Utopias conference.

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1. For similar experiments in Brazil, see Gianpaolo Baiocchi, ed., *Radicals in Power: Experiments in Urban Democracy in Brazil*, forthcoming: Zed Press; William Nylen, "Popular Participation in Brazil's Workers' Party: Democratizing Democracy in Municipal Politics," *The Political Chronicle*, vol. 8, no. 2 (1998), pp. 1–9; Ivo Lesbaupin, *Prefeituras do povo e para o povo*, São Paulo, Brazil: Edições Loyola (1996); Lucio Kowarick and Andre Singer, "The Workers' Party in Sao Paulo," in Lucio Kowarick, ed., *Social Struggles and the City*, New York: Monthly Review Press (1994); Sonia Alvarez, "Deepening Democracy: Popular Movement Networks, Constitutional Reform, and Radical Urban Regimes in Contemporary Brazil," in Robert Fisher and Joseph Kling, eds., *Mobilizing the Community*, Newbury Park: Sage Publications (1993). For other examples from Latin America, see Gerd Schonwalder, "Local Politics and the Peruvian Left," *Latin American Perspectives*, vol. 33, no. 2 (1998); Marta Harnecker, *Frente amplio: los desafios de un izquierda legal. Segunda parte: los hitos mas importantes de su historia* (Montevideo: Ediciones La Republica, 1991).

2. "Participation in government" has witnessed an explosion of interest from various quarters and perspectives, particularly in the context of the decentralization of government. For some representative positions see Benjamin Barber, "Three Challenges to Reinventing Democracy," in Paul Hirst and Sunil Khilnani, eds., *Reinventing Democracy*, Cambridge, MA: Blackwell (1998); John Keane, "The Philadelphia Model," in Takasi Inoguchi, Edward Newman, and John Keane, eds., *The Changing Nature of Democracy*, Tokyo: United Nations University Press (1998); Peter Evans, "Government Action, Social Capital and Development: Reviewing the Evidence on Synergy," *World Development*, vol. 24, no. 6 (1996).

3. For the city of Porto Alegre, see Rebecca N. Abers, *Inventing Local Democracy: Grassroots Politics in Brazil*, Boulder, CO: Lynne Rider Publishers (2001); Gianpaolo Baiocchi, "Militance and Citizenship: The Workers' Party, Civil Society, and Participatory Governance in Porto Alegre, Brazil," Ph.D. dissertation, University of Wisconsin (2001); Luciano Fedozzi, *Orçamento participativo: reflexoes sobre a experiencia de Porto Alegre*, Porto Alegre: Tomo Editorial (1997); José Utzig, "Notas sobre of governo do PT em Porto Alegre," *Novos estudos cebrap*, no. 45 (1996), pp. 209–22; Sergio

Baierle, *A explosao da experiencia; a emergencia de um novo principio etico-politico em Porto Alegre*, unpublished MA dissertation, UNICAMP (1991).

4. Fung and Wright's proposal stands alongside Cohen and Rogers's proposal of associational democracy as the most institutional accounts of deliberative democracy. Other theorists certainly pay attention to institutional conditions and arrangements, but do not engage in the thorough analysis of institutional design characteristic of the EPG proposal. See also Joshua Cohen and Joel Rogers, *Associations and Democracy*, London: Verso (1992).

5. Joshua Cohen, "Procedure and Substance in Deliberative Democracy," in Seyla Benhabib, ed., *Democracy and Difference: Contesting the Boundaries of the Political*, Princeton, NJ: Princeton University Press (1996).

6. The phrase, "*o modo petista de governar*" has since become part of the lexicon of political discussions about governance. See Jorge Bittar, *O modo petista de governar*, São Paulo, Brazil (1992).

7. See Tanya Barcellos, *Segregação urbana e mortalidade infantil em Porto Alegre*, Porto Alegre: F.E.E. (1986); Prefeitura Municipal de Porto Alegre, *Regioes do orçamento participativo de Porto Alegre – Alguns Indicadores Sociais*, Porto Alegre: Fundação de Educação Social e Comunitaria (1999).

8. The number of delegates for a district is determined as follows: for the first 100 persons, one delegate for every 10 persons; for the next 150 persons, one for 20; for the next 150, one for 30; for each additional 40 persons after that, one delegate. To cite an example, a district that had 520 persons in attendance would have 26 delegates. An association with 47 members in attendance would have two delegates (9 percent of the delegates). See Leonardo Avritzer, "Public Deliberation at the Local Level: Participatory Budgeting in Brazil," paper presented at the *Experiments in Deliberative Democracy* Conference, Madison, WI, January 2000.

9. Resources are allocated to each district based on a system of weights that considers the district's population, its need for the service, and its chosen priorities. I describe this system of weights in the appendix.

10. Adapted from CIDADE, "Ciclo do orçamento participativo," in *De olho no orçamento*, Porto Alegre: CIDADE (1995).

11. In practice, these fora also function as a space for community demands and problems in general to be aired, for information to be divulged about the functioning of government, and as a regular meeting place for activists of a district. My own research showed that meetings were often "taken over" by activists who make use of this regular forum to discuss issues beyond budgeting matters. See Baiocchi, "Militance and Citizenship."

12. As has been noted, councilors fulfill functions that would in other cities be associated with the official municipal legislative, though councilors are subject to immediate recall and have term limits of two years.

13. Tarso Genro and Ubiratan de Souza, *Orçamento participativo: a experiencia de Porto Alegre*, Porto Alegre: Fundacao Perseu Abramo (1997), discuss the increase in the property tax in the first tenure of the PT administration. This is also discussed by Utzig, who describes the reforms undertaken by the administration to modernize fiscal procedures: José Utzig, "Notas," pp. 215–20.

14. This is a measure of the overall efficiency of the administrative apparatus. Though national-level changes, as making municipal governments responsible for the provision of health services, complicate this comparison, all evidence points to increased efficiency. Of course, it is impossible, without suitable comparisons, to determine what portion of that increased efficiency is due to the OP and what portion is due to simply the fact that an outside political party has come into power.

15. Prefeitura Municipal de Porto Alegre, *Anuario estatístico*, Porto Alegre: GAPLAN (1997).

16. Regina Pozzobon, *Porto Alegre: os desafios da gestao democratica*, São Paulo: Instituto Polis (1998).

17. This figure, based on published numbers of municipal government, is the best

available estimate of the actual number of participants from a figure of attendees at first-round meetings. On the one hand, persons at these first-round meetings are not the actual participants throughout the year, and as many as 15 percent of participants at district-level meetings also come to thematic meetings. But, on the other hand, much higher estimates of participation exist based on extrapolations of informal meetings that go on throughout the year, but there is no way precisely to assess its magnitude.

18. A “minimum wage” is a convenient unit to measure income in Brazil with currency fluctuations. As of January 2001 it is fluctuating at near US\$60 per month, and “poverty” is often informally set at a household income of two minimum wages.

19. Pozzbon, *Os Desafios*, pp. 3–9.

20. Pierre Bourdieu, *Language and Symbolic Power*, Cambridge: Polity (1991).

21. *Ibid.*, p. 146.

22. *Ibid.*, p. 147.

23. Jane Mansbridge, *Beyond Adversary Democracy*, Chicago: University of Chicago Press (1980), p. 103.

24. Survey results are published in CIDADE, “Orçamento participativo – quem e a populacao que participa e que pensa do processo,” Porto Alegre: Centro de Assessoria e Estudos Urbanos (unpublished report, 1999). See the statistical appendix of this essay for details.

25. 1998 Survey data. Women are 53 percent of the city’s residents, and persons with low education are 55 percent of the city’s residents.

26. The count of persons with education up to the eighth grade.

27. Persons with a household income of up to two “minimum-wages” per month, which comes to approximately US\$124 (November 1999).

28. It was not possible to include the question of race on the 1998 survey. Nonetheless, using other estimators for the race of participants strongly suggests that “race” by itself does not prevent participation or the achievement of elected positions, though the question certainly merits further inquiry. The general participant data comes from an existing earlier survey (1996), but which does not permit any tests as a result of the numerically small sample. The data on councilors and delegates comes from my own count of councilors and a sample of delegates. Here I considered specifically the category “black” (*negro*) which, as per the conventions of the Brazilian census, is based on self-identification. “Blacks” make up approximately 5 percent of the city’s population, and persons of mixed descent (*pardos* – “browns”) make up approximately 10 percent. For a discussion of race in this part of Brazil see Ilka Boaventura Leite, *Negros no sul do Brasil*, Ilha de Santa Catarina, SC: Letras Contemporaneas (1996). A survey fielded in 2000 by CIDADE did include the race question, but its results are not available at the time of writing.

29. These apparently surprising results are consonant with the available literature on race relations and urban poverty in Brazil. This process draws persons from the city’s urban periphery, which is where non-whites tend to live, but which is also relatively integrated. Observers of the community-based “neighborhood movement” have pointed to the fact that its leadership is also relatively integrated. Ney dos Santos Oliveira, “Favelas and Ghettos: Race and Class in Rio de Janeiro and New York City,” *Latin American Perspectives*, vol. 23, no. 4 (1996), pp. 71–89; Peggy Lovell, “Race, Gender, and Development in Brazil,” *Latin American Research Review*, vol. 29, no. 3 (1994), pp. 7–35; Edward Telles, “Residential Segregation and Skin Color in Brazil,” *American Sociological Review*, vol. 57, no. 2 (1992), pp. 186–97.

30. This was based on a year and a half of attendance of meetings between 1997 and 1999 in three of the city’s districts. What did emerge was that there was an informal gendered division of labor among activists around types of issue for which women and men were suited. This does not mean, however, that women were prevented from effective participation.

31. *Colarinho-branco*, literally, the “white-collars.”

32. The logistic coefficient predicting participation (model not reported here) based solely on gender gives the odds at 28.33 percent lower, with a standard error of 0.09. and

Chi-Squared of 13.75, statistically significant at $p < 0.001$.

33. Once we consider years of experience, gender ceases to be a significant predictor.

34. It should be noted, for example, that analyses, not shown here, that considered education in number of years, or income in terms of tiers, found that the highest levels of education and income negatively affected chances of election.

35. See the logistic models reported in the appendix.

36. Being elected to a directorate of a neighborhood association, for instance, is associated with education. Another result that suggests that this interpretation is correct is that conditional logistic regressions (not reported here) that estimate chances of election to councilor from the pool of delegates do not show any factor other than experience to be significant. Static data cannot be any more conclusive, however, since we cannot control for factors that may cause persons to be long-term participants.

37. Adriana, interview, May 1999. N.b. participants' names here are pseudonyms.

38. Marina, interview, June 1998.

39. The system of weights has changed over the years. "Popular mobilization" was an original criterion that was changed in favor a system that considers "needs" in the system of weights. These criteria are always in debate and revision by councilors. The current system, which considers need, followed by the district's priorities and population, clearly advantages a few of the city's districts in distribution of resources every year. The poorest district, Nordeste, for example, always takes resources regardless of the results of deliberation. For a discussion of the emergence and transformation of these principles, see Genro and Souza, *Orçamento*, chapter 1.

40. Although no standards exist against which to judge these outcomes, through the PB citizens have been able to decide upon more projects and on the allocation of more resources each year, deciding upon more than several hundred projects over the last few years.

41. The income level of two minimum wages against which I have tested for parity is less than a third of the city's median household income of 6.4 minimum wages, and the education level of eighth grade is well below the city's average. See Pozzobon, *Os Desafios*, pp. 3–9.

42. Gilberto, interview, 1997.

43. Paolo Friere, *Pedagogy of the Oppressed*, trans. Myra Bergman Ramos, New York: Herder and Herder (1970).

44. See, for instance, the discussion in Sergio Baierle, *A explosao da experiencia*.

45. Euníce de Andrade Araújo, cited in Genro and Souza, *Orçamento*, p. 30.

46. If we compare the profile of city council-persons with the councilors of the budget meetings, we find that there are much greater proportions of women, of poorer persons, of the less educated, and of blacks involved in budget meetings. For instance, the average percentage of women in city councils since democratization has been less than 10 percent, and the percentage of poor persons or persons without formal education has been close to zero.

47. Fung and Wright, Introduction to this volume, p. 37.

48. Cohen, "Procedure," pp. 112–13.

49. One of the main reasons it is difficult to establish how many active associations existed at any one point in time is that there are many more groups "in law" than in practice. For this reason listings of officially registered organizations, which I do not use here, do not help assess activity in civil society.

50. There are at least twice as many associations officially registered with City Hall. I counted associations that either paid dues to the union of neighborhood associations or appeared listed with participants in the PB meetings.

51. Conselho Popular do Partenon, *Regimento interno*, Porto Alegre (1992), p. 1.

52. Fernando, interview, 1998.

53. Marília, interview, 1997.

54. Maria, interview, 1999.

55. Antonio, interview, 1997.

56. In São Paulo, the deliberative vision of mayor Erundina won. Popular power was

“instituted” as a fourth branch of government, after the legislative, executive, and judiciary. See Kowarick and Singer, “The Workers’ Party.”

57. Nelsa, interview, 1988.

58. Antonio, interview, 1997.

59. Survey data, 1998. These results are also reported in CIDADE, *Orçamento*.

60. Gildo Lima, interview, 1999.

61. Cohen and Rogers, *Associations and Democracy*.

62. One survey question, “Do you think the population really decides on the results of the Participatory Budget?,” showed significant association with “Has your district or thematic area received benefits?” Positive answers to the perceived popular control and positive answers to having received benefits were very clearly linked. Crosstabulations of “population really decides” and “received benefits” show that positive answers to perceived popular control and receiving benefits were very clearly linked (Spearman correlation = 0.247. Chi-Squared = 47.161; Degrees of freedom = 1; $p < 0.001$.) An analysis of district-level participation for the first few years over time also shows that it was responsive to investment.

63. Henry Dietz, *Urban Poverty, Political Participation and the State*, Pittsburgh, PA: University of Pittsburgh Press (1998).

64. Marcelo Kunrath, in personal conversation, May 1999. On the other hand, there are PT administrations that have reported success in developing participatory schemas based on the Porto Alegre model in small towns with similar revenues as those of Viamão; this suggests that a combination of factors may offset the revenue constraint. See Nysten, *Participation*.

65. Gildo Lima, interview, May 1999. See also Abers, *Inventing Local Democracy*. For a comparison of PT cities in Brazil see Baiocchi, *Radicals in Power*.

66. Genro and Souza, *Orçamento*, p. 26. See also the discussion in Guilherme Cassel and João Verle, “A política tributária e de saneamento financeiro da administração popular,” in Carlos Henrique Horn, ed., *Porto Alegre: o desafio da mudança*, Porto Alegre: Ortiz (1994), p. 45.

67. Luciano Brunnet, in personal conversation.

68. Baierle, *A explosão*.

69. Some of these difficulties, which led in some cases to splits in the Party, are discussed in Margaret Keck, *The Worker’s Party and Democratization in Brazil*, New Haven: Yale University Press (1992).

70. Kowarick and Singer, “The Workers’ Party,” pp. 240–47.

71. *Ibid.*, p. 249.

72. Bittar, *O modo*, p. 8.

73. Arno Agostin Filho, “A experiência do orçamento participativo na administração popular da prefeitura municipal de Porto Alegre,” in Carlos Henrique Horn, ed., *Porto Alegre: o desafio da mudança*, Porto Alegre: Editora Ortiz (1994) p. 50.

74. Based upon interview accounts of the development of the PB in various districts of the city.

75. Nino, interview, 1999.

76. Cohen, “Procedure.”

77. Interviews.

78. Genro and Souza, *Orçamento*, p. 95.