Participatory Budgeting as if Emancipation Mattered

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ABSTRACT:

This paper critically discusses Participatory Budgeting (PB) as a Real Utopia proposal. It has by now been widely discussed and celebrated in the literature, having been instituted in at least 1,500 cities worldwide. Some of its central features - its structure of open meetings, its yearly cycle, and its combination of deliberation and representation are by now well-known. In this paper, however, we critically reflect on its global travel and argue for more careful consideration of some of its less well-known features, namely, the coupling of the budgeting meetings with the power of self regulation, and its original closeness to the exercise of power. We argue that when defined *purely* a set of procedures, Participatory Budgeting is likely, in actually existing administrations, to be only peripherally connected to centers of power, and instead be linked to small discretionary budgets and bound by external technical criteria. We suggest that in order to recapture its utopian dimension, we need a more robust consideration of both the institutional architecture connecting its procedures to the practices of administration, and of political projects aimed at transforming power relations of which PB can be a part.

Introduction

Of all the Real Utopia proposals, Participatory Budgeting has a unique status: not only is it an institutional reform that has been widely implemented (1500 cities as of last count), it is one whose original design is self-consciously aimed at the kind of social transformation that undergirds Real Utopian thinking. That is, in contrast to community policing, public libraries, or Wikipedia, the original design objectives of Participatory Budgeting were not just better policing or a more transparent society but bringing to life practices that were both pre-figurative of the societies we want and part of a strategy of achieving that society (in one version, a "virus" to infiltrate the bourgeois state). Much of the hand-wringing about Participatory Budgeting has been about whether it has indeed brought us closer to that. And the reflections about Participatory Budgeting have developed alongside Real Utopian thinking, often having it as a central point of reference. As Participatory Budgeting has finally arrived on US shores (Chicago, New York, and Vallejo) it completes a twenty-five year journey from social movements and leftist parties in Brazil during the end of its military dictatorship to the heart of Empire, via a number of international networks and agencies. Participatory Budgeting provides us with an unusually clear vantage point from which to explore the real world possibilities of Real Utopian thinking.

The global travel and adoption of Participatory Budgeting is a remarkable story. A relatively simple idea – that "ordinary citizens" should have a direct say in public budgets that impact them, it has traveled the world by the most unexpected routes and landed in unlikely sites. Some twenty-odd years after its shaky start in under the leftist city government of the Workers' Party (PT) of Porto Alegre[1], and twenty-five after its first mention by neighborhood activists in that city, the idea and basic blueprint of Participatory Budgeting have now circled the world, having been implemented in literally hundreds of cities in all continents. First it circulated through Workers' Party networks in the 1990s reaching throughout Brazil, before becoming popular throughout Latin America, via political party networks and then NGOs. Hundreds of municipal participatory budgets were developed in Argentina, Chile, Uruguay, Peru, Ecuador, Venezuela, Guatemala, the Dominican Republic, and elsewhere in the region. In the 2000s, participatory budgeting then attracted the attention of international development agencies as well as that of activists in the Global North who learned about it through the World Social Forum. Since 2000, the World Bank and United Nations agencies have in one way or another helped bring participatory budgeting to Asia and Africa, in countries such as Turkey, Fiji, Senegal, Mozambique, and Zimbabwe. And at the same time, European cities begun to implement this idea, once described as the "return of the *Caravels"* by Giovanni Alegretti. At the time of this writing there are dozens of experiences in countries like Spain, Portugal, France, Italy, Germany, England, and Albania.[2] It has, along the way, become official government policy in Venezuela, Peru, and the Dominican Republic, and most recently, actively promoted by subsequent Labor

[1] The "Porto Alegre Story" is well-known and well-documented. For one version of events in English, see Baiocchi (2005).

[2] There are a few accounts now of the global phenomenon. See Allegreti and Herzberg (2005) and Cabannes (2007).

governments in Britain. It has by now even appeared in the United States, where it has been implemented in Chicago's 49th Ward since 2009.

There are several striking features to this journey, but we begin this essay by focusing on one: the seemingly endless adaptability of PB to the most varied contexts and its compatibility with the most diverse political projects: left, right and center. As the idea traveled from the South of Brazil to other places within Latin America in the 1990s, it slowly but surely gained acceptance by political parties outside of the left. As it traveled internationally, it became completely dissociated from progressive parties altogether. By the time it arrives in the United States there are still invocations of social justice by some of its implementers, but it is de-linked from progressive institutional projects and is part of the loose toolkit of ideas for innovative good governance, part of the "fast policy transfer" that Jamie Peck has described as characteristic of our era (Peck 2011). In the 2000s, PB was promoted by actors as varied as the World Bank and the Chavez government in Venezuela. The PB Unit, a promoting organization in England, in one of its how-to pages, describes how to make a pitch for PB to your local city councilor, instructing advocates to choose from a menu of arguments to make for it based on the councilor's political leanings.[3] Greens and progressives find resonance in PB's local empowerment, but centrists and conservatives do so as well: as a "*sensible* step in decentralising and localising responsibility," PB is promoted as fostering "community cohesion," "innovation," "social entrepreneurship" and "restoring trust" in government.[4]

The argument we make in this essay is that Participatory Budgeting, in its original versions as part of a transformative left project, was but one part of a set of institutional reforms. In addition to open meetings where citizens decided on priorities (the more visible part of PB), there was an (almost invisible) institutional architecture that linked those preferences to the centers of decision-making so as to give them impact. This included an administrative reform to both subordinate the local bureaucracy to citizen demands and to protect the "chain of popular sovereignty" from outside influence. This latter step involved the creation of a cabinet-level special department above fiefdom-like municipal departments, as well as a decision to make the PB the only point of contact between citizenry and the local state. It also included the creation of a citizen council to oversee the whole process (giving citizens the right to self-regulate) as well as to oversee municipal finances as a whole. These administrative reforms made PB participation come closer and closer to effective control of the local state, to the point that a recurrent problem with those early PB experiments was that elected city councilors often opposed the process for feeling sidelined.

We describe these two elements as the Habermas moment (the visible and known part of PB) and the Rawls moment (the less visible administrative reforms). We refer to the open structure of transparent meetings to decide on projects and priorities as the Habermassian because they refer to democratization of civil society and to the procedures that regulate the conditions of communication. The

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[3] See

[4] http://www.thepeoplesbudget.org.uk/makethecase/conservative/ accessed May 16th 2012

administrative reforms, in our mind, have more to do with Rawls: the exercise of public reason, self-rule, and the constitutional moment. To put it bluntly, in the global translations of Participatory Budgeting, Habermas has traveled, but not Rawls. Without a concomitant transformation of the administrative machinery, Participatory Budgeting becomes reduced to a set of procedures detached from the inner workings of the administration or its central decision-making points. Defined *purely* a set of procedures, Participatory Budgeting is likely, in actually existing administrations, to be only peripherally connected to centers of power, and instead be linked to small discretionary budgets and bound by external technical criteria. It becomes a process of one-sided democratization that brings greater transparency and social justice up to the point where demands are delivered to state officials; what happens after that point, let alone what portions of city budgets are turned over to the popular mandate, are left untouched. We suggest that in order to recapture its utopian dimension, we need a more robust consideration of both the institutional architecture connecting its procedures to the practices of administration, and of political projects aimed at transforming power relations of which PB can be a part.

Our essay proceeds in parts. First, we briefly describe Participatory Budgeting in both its Habermassian and Rawlsian dimensions, and its take-up by the Real Utopias discussion. We then discuss the global travel of a PB defined solely as procedures and the pitfalls of civil society democratization. We then argue for the value of a more complex architecture that articulates PB procedures with decision-making, before concluding with the importance of political projects revolving around popular sovereignty if we are to recapture the emancipatory dimensions of participation.

Participatory Budgeting as a Real Utopia

Participatory Budgeting is at its heart a relatively simple idea: citizens deciding over the directives and projects that make up a public budget. The "Brazilian version," which we present below, was what implemented in Workers' Party administrations throughout the 1990s and early 2000s. It was in dialogue with a "basic blueprint" of PB that had been circulating among PT networks and provided the starting point for most of the PB experiments that took place at the time in Brazil (Grazia and Teixeira 2002; Avrtizer and Wampler 2005; Wampler 2009). This is essentially closely modelled on the famous "Porto Alegre model," which was in place in that city from 1991 until 2004. In a simplified form this blueprint is a yearly cycle of decentralized assemblies where participants and their representatives choose and debate projects that will make their way to a final municipal budget and ultimately be implemented.

Participatory Budgeting, Brazilian-Style, circa 2000

As discussed elsewhere, Participatory Budgeting was closely associated with the Workers' Party in Brazil in the late 1990s. After trials and errors, a successful model emerged from the city of Porto Alegre that de-emphasized the role of associations and movements, and that coupled the participatory process with a thoroughgoing administrative reform. Together, this seemed to be politically

successful, guaranteeing legitimacy for a leftist platform while increasing the Worker's Party electoral fortunes. Versions of this model were adapted to diverse circumstances throughout Brazil, so that by the 2001-2004 electoral cycle, some 150 cities in Brazil implemented it. [5]

There were three guiding principles to the PB processes at the time: openness (meetings open to all, regardless of belonging to an association or not), transparency (all proceedings were public), self-rule (participants themselves decided on the parameters of the process), and actual decision-making (processes were directly tied to administrative outcomes). PB processes were typically organized along a yearly cycle. Designed to match the municipal budgeting cycle, processes were organized around a schedule of government-sponsored meetings that begun early in the year – around March or April, ending in November. All processes begun with assemblies, or open meetings, throughout the town or city, ending when a series of selected projects is forwarded either to a forum of delegates elected by the assemblies for further debate, or directly on to the municipal legislative for inclusion in the yearly budget. It is in these assemblies that most of the democratic discussion and deliberation takes place, and throughout the year assemblies have different purposes: early on they serve the purpose of informing participants about the process and about available resources; later, particular projects are proposed and debated, and representatives are chosen. The last assemblies are devoted to making the final decisions on the budget. Typically, PB processes drew large numbers of participants, with in some cases, as much as 10% of the total population of a town coming to meeting at some point.

Despite the emphasis on direct participation at assemblies (with city governments competing with each other with numbers of participants), there was a structure of decentralization and representation built into processes. Municipalities were divided into districts for the purposes of participatory budgeting. The ultimate destination of projects is also organized by district, often with explicitly redistributive formulas to determine what portion of resources are devoted to each. How this was done varied somewhat by town, but in every case, poorer areas received a greater share of resources. Processes usually had delegates, or district representatives, elected early on to perform important functions such as negotiating the distribution of resources within districts. There was sometimes a second-tier of representatives who monitored implementation, but more importantly, also decided on the overall features of the process.

It is also worth clarifying that Participatory Budgets made decisions over the *capital expenditure* portions of municipal budgets, which tended to be smaller than the fixed, operating costs of a budget. It is also worth clarifying that the basic unit of decision-making were projects. In most cases these were urban infrastructure projects, such as the paving of a particular road, or the construction of a park or school. Sometimes these projects could engage other areas of government action – such as health or social work, and sometimes PB could be related to longer-term concerns, such as the municipality's overall planning and development. This

[5] The following description is based on the results of a research project whose results are described elsewhere. See Baiocchi, Heller and Silva (2011).

balance tended to vary between towns that focused exclusively on urban infrastructure projects, to those that included an element of strategic planning in the PB process. All of the processes, however, eventually dealt with specific projects to be implemented in the following fiscal year.

Participatory Budgeting was intended to be a conveyor belt that translates popular inputs into government actions, and thus tended to involve complex institutional arrangements to prepare the administrative machinery to accept these inputs. It is beyond the scope of this paper to discuss these in detail, but in general these included the transformation of municipal departments to work with poorer populations; significant negotiations with municipal employee unions; the closing down of other formal and informal channels of demand-making; administrative reforms to raise resources for the PB processes; and the creation of new planning departments to ring-fence these budgets from other sources of influence. Despite the variations from place to place, the implementation of these processes involved a significant "combination of administrative centralization with decentralization," like in Porto Alegre itself (Navarro 2002). Simply holding meetings to gather ideas for projects was not what travelled in Brazil at the time.

Real Utopias and PB

Participatory Budgeting has been part of the Real Utopias cannon since the 2002 volume (Fung and Wright 2002), and Real Utopian thinkers have returned to it time and again for inspiration (ie. Wright 2010). It connected, specifically, with the discussion on Empowered Participatory Governance (EPG). The Empowered Participatory Governance proposal is an ideal-typical institutional design proposal for deliberative decision-making and pragmatic problem-solving among participants over a specific common good, and is in principle applicable to a wide-range of situations. It is understood to center on reforms that devolve decision-making to local units that are supported, but not directed, by a central body. These units are in turn truly 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 on a number of counts.

The Porto Alegre experiment, which was the case study cited in the volume, met the criteria of the Empowered Participatory Governance proposal in a number of interesting ways, as would the general Brazilian model we described above. First, the process creates direct deliberation between citizens at the local level and devolves substantial amount of decision-making power to these local settings. These citizens are involved in pragmatic problem-solving, and monitoring and implementing solutions achieved. These are continuously deliberative processes over the years, meaning that there are chances 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, that has been referred to as *recombinance*. In this case, the support comes from the administration in the form of regional agents who act as non-voting facilitators. The Porto Alegre case also

showed how complex management of a whole city can occur through combinations of direct and representative democratic forms.

The higher tier of the participatory structures, the Municipal Council of the Budget brought together representatives of each of the districts as well as the thematic meetings. They deliberated 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 of the district to the government, and justifying government actions to regional activists. Participatory governance in the city also expanded beyond Participatory Budgeting meetings to new fora that included settings on social service and health provisions, local school policy, and human rights, among others.

The Connection and Disconnection with Centers of Power

Unlike the tradition liked to plebiscites, participatory budgeting conceived of self-rule as a deliberative process (Avritzer, 2006; Baiocchi, 2005; Fedozzi, 2001), closer to Habermas's theory than accounts of direct democracy or theories of radical democracy (Mouffe, 1993). But there are significant differences. For Habermas, political self-rule took place in two stages: first, a casual discussion outside institutions, and then a formalization of this debate in a public opinion that would influence the institutional actions. The key link in this chain are social movements, which would amplify a demand in the public space in order to influence the representatives of the political system. Porto Alegre's Participatory Budget changed this scheme within a characteristically deliberative framework. What for Habermas and others was a natural sequence of informal discussion-social movements-political system gave way to formal discussions bounded by procedures and a direct influence on policy.

The participatory budget proposal took the thinking behind the deliberative turn into a participatory institutional framework. The principal difference has to do with the link between public discussion and government. In a purely Habermassian sense, the influence of citizens on government is highly contingent on their ability to frame a problem and mobilize allies, and the separation between rulers and the ruled is wide. Participatory Budgeting, instead, aimed to rationally translate bottom-up demands and structure the nature of those communications according to procedures. Through participatory budgeting it is the administration which organizes public spaces ruled by deliberative frameworks.

Habermas offers a counterfactual standard against which we can evaluate the democratization of political will formation. For Habermas the formation of political will starts in the debate that takes place between individuals in public space, a discussion in an action-oriented understanding. This type of action assumes regulatory principles to which everyone is inclined to the mere fact of dialogue, what Habermas (2006: 88) calls the pragmatic conditions of communication: inclusion (nobody can be excluded from participation in a discussion that interests you), not coercion (anyone can take part in the argument and counter argument freely without being subject to domination by others) and openness (each participant can start and continue the discussion on any relevant topic, including

the procedures regulate the discussion). By moving this critical framework to participatory budgeting, we could examine existing experiences from the way they structure the public space. We may assume that if any citizen does not feel invited for any reasons, the participatory experience would not favor an inclusive process. We should also assess the extent to which participants feel free to argue and whether they can open debate or discuss the rules governing the same procedures. The questions often raised to experiences of Participatory Budgeting are the same raised asked of instances of deliberation: Who actually participates in the formation political will? Do all citizens "deliberate"? Can the administration promote spaces open to all? What is the quality of decisions emanating from the participatory process? (Thompson, 2008; Sanders, 1996). And, as with deliberative spaces, the formation of new political subjects speaking for the "whole" has often come into conflict with social movements (Ganuza et al, 2012; Baiocchi, Heller and Silva 2011)?

Now, self-rule does not rest only in communication, which leads us to the second component of Participatory Budgeting (the coupling of the assemblies with administrative structures), which includes discussion of the organization and structuring of political institutions. As we have mentioned, for Habermas the link between deliberation and public policy takes place outside communication, through mediation (political and social organizations) and they are eventually the ones who have impact on law. Participatory Budgeting, in contrast, set up a participatory process with various stages along which the administration obtained citizen proposals. But it became part of a broader set of transformations that oriented the priorities of public policy and expanded the horizon of political institutions. Participatory Budgeting relied on Habermasian deliberative processes at the level of proposals level, where they were valued for their reasonableness in non-coercive and egalitarian spaces. But to couple those proposals to administrative outcomes, it also introduced something akin to Rawlsian proceduralism, mechanisms to assure the exercise of public reason.

First, the participatory budget was clearly coupled with the administration. Proposals emerging from the process to guide the administration had to were clearly linked with proposals that would run the city government had to be assessed annually in accordance with technical and social justice criteria. These were previously discussed by the population, who decided them in a special council very similar to the veil of ignorance arrangement. The criteria use to qualify every proposal with a specific score (regardless of who raised it) regarding the citizenry discussion about justice principles. Then, administration gave priority to citizen proposals arising from the formal public space and legitimizes the allocation of public budget, distributing the budget among the different municipal areas and setting up the management of institutional policies. Further, participants, in principle, were able to also oversee the whole municipal budget and approve the allocation of resources to capital investments vs. operating expenses, as well as to decide on long-term (strategic) vs. immediate projects. They were also able to change the rules of the process. They were, in other words, able to change the terms of their participation in terms of its relationship to government. Therefore, the discussion was based not only on the pragmatic principles of communicative (inclusion, no coercion and openness), but in an institutional arrangement similar to the Rawlsian veil of ignorance, which

provided an opportunity to rationalize the participation and the communication process within the political system. Through this procedure (the veil of ignorance) the communication given in public space can be transformed into an input for the government, ie, it can legitimize its own action based on proposals made previously in the public sphere and to set an administrative action that affects all citizens. Through the veil of ignorance Rawls solves a difficult dilemma as to legitimate the guidance of a sense of community in a period in which policies cannot be based on explanations other than arguments. According to Rawls (1993) if we push a certain number of representative persons in an enclosed space to decide what will be the basic rules of society, without having the knowledge of their future social status, each would choose his two principles of justice.

The presence of Rawlsian proceduralism endowed participants with an instrument that did not depend solely on the good-will of elected representatives, and that diminished the degree of discretion of bureaucrats. But more than that, it provided a clear counterfactual against which the exercise of power could be evaluated, making the devolution into charismatic authority less likely. Rawlsian procedures invite us to ask not only of the deliberative intensity and quality, but also examine the intensity with which participants can qualify their preferences and sort them, as well as the intensity of the connection between participation and the exercise of authority. So we could glimpse the process of political self-rule and the utopia of a political project based on participation.

The Travel of an Isolated Device

In the 2000s, the idea traveled much further than Brazil. After implementation in Europe, and then the rest of Latin America, PB arrived in Africa, Asia, and North America. If the travel within Brazil had shown that Participatory Budgeting was successful, modifiable and not necessarily only good for redistribution, in this second stage the idea traveled as a success story of primarily 'good governance,' and one divorced from administrative reforms. The PT's innovation, in separating it from any identification of participation with social movements *and* associating it with a transparent and efficient administration made it an attractive device. The fact it seemed to work in different contexts also helped. But it was the process of translation, which turned PB into an instrument abstracted from a political project altogether and separable from administrative reforms that propelled the transnational journey in which PB crossed national, cultural, and political boundaries. By the late 2000s there were consolidated networks promoting Participatory Budgeting in all continents.

The numbers for the spread of PB are impressive. By 2005, there were roughly 200 PB experiences outside of Brazil; by 2008, there were at least 500, and by 2010, the sum total of PB experiences is at least 1500. These experiences are today concentrated in Latin America and southern Europe, with now a strong presence in Northern Europe, and a significant number of cases in Africa, Asia, and Eastern Europe. North America has a half-dozen experiences at the time of this writing. (Sintomer et al, 2010). The international spread of PB has allowed places as diverse as China, Sweden, the Dominican Republic, The Congo, Albania or the U.S. to promote experiences under the same banner. However, the similarities between them and other experiences are often marginal. All claim the need to

adapt the PB to a different cultural and political context, although references and contacts with the city of Porto Alegre and other Brazilian experiences remain symbolically very important.

Global Models

There is by now some analysis of the changing models of Participatory Budgeting around the world (Sintomer 2010; Sintomer and Ganuza 2009; Allegretti and Ganuza 2010), in addition to our own research on its transformation into a best practice.[6] There is, in addition, quite a bit of practitioner debate about a "minimum common denominator" kind of definition of PB. One debate concerns whether purely consultative models qualify. Experiences are quite diverse. Generally speaking, in global terms, the yearly cycle remains important, and the participatory assembly remains the centerpiece of the experience, but decreases its intensity beyond brazil and, above all, its number. In many experiences these assemblies were advisory, which transformed its own development. In many cities the division of cities into districts is absent, often leading to a process organization based on a single assembly.

The case of Europe is telling. Today, participatory budgeting is carried out in Europe in almost 200 towns or cities in a dozen different countries (and with a prospect of growth in the context of countries such as England, Spain, Poland, Germany and Sweden). These are held in both small and large towns or cities: from Figaró in Spain or Borbona in Italy (with 1000 inhabitants) to Cologne in Germany, with its one million inhabitants. Some experiences link the process of PB with concrete spaces of decision making open to inhabitants, others are only consultative, and the public meetings become places for merely expressing complaints, needs and hopes within a mechanism of "selective listening" where the final decision on spending priorities stands in the hands of elected officials. The methods used are also very diverse: from the selection of participants by means of lottery (random selection), to the participation of only association or ONG representatives, or open and general participation (as in most cases) which follows an "open-doors" strategy. It is not impossible to provide evidence for a set of common factors that allows us (a posteriori) "to recognise" the European participatory budgets and differentiate them from other participatory mechanisms in Europe[7], at least from a methodological point of view. There are, however, some clear national patterns. For example, this is true in most French and Portuguese experiences, which are aimed at constructing forms of "proximity democracy", but also in the German examples whose experiences are embodied within a participatory modernisation of the administrative machinery, which some Spanish examples, above all those led by the conservative party, have begun to

[6] We describe this at length in our forthcoming book manuscript. A preview of the longer argument is available in Baiocchi and Ganuza (2013).

[7] For example, the comparative study coordinated by Sintomer, Herzberg and Rocke (2006) proposed a methodological definition, according to which the participatory budgets are processes characterised by the presence of five elements: (1) The financial or budgetary dimension is explicitly discussed; (2) they are organised at least at city level, or that of a decentralised district that corresponds to an elective institutional level (a neighbourhood council or investment fund would not be a participatory budget); (3) they are repeated processes (a single meeting, an isolated referendum on budgetary subjects would not be a participatory budget); (4) they have to include a certain form of public deliberation (closed meetings of sectorial councils would not be participatory budgets, and nor would a survey about what citizens think about the budget); (5) they need a dimension of accountability regarding the results of the process, providing feedbacks on implementation of co-decided public works.

imitate. The English experiences relate, strictly speaking, to forms of public administration directed towards "community development", while the new Swedish experiences emerged in 2009 with the primary aim of reactivating social relations in the context of a welfare state that was still solid but threatened by severe cutbacks due to the economic crisis.

Our argument that the travel has made PB into an attractive and politically malleable policy instrument. PB emerged out of the cauldron of leftist experimentalism in Brazil in the early 1990s, as a particularly successful instrument, one that seemed to render compatible social justice, good governance, and electoral fortunes. It traveled in the 1990s as a centerpiece of a *political strategy*, as a representative of a leftism that could work because it broke with clientelism as well as with movements. As it attracted attention internationally in the 2000s, however, it begun to travel as an isolated *device*, as a best practice that could improve governance and generate trust in government. [8] The difference is that Participatory Budgeting in its original version, was but *one part of a set of institutional reforms*. In addition to open meetings where citizens decided on priorities (the more visible part of PB, and the one that is emulated), there was a (much less visible) institutional architecture that linked those preferences to the centers of decision-making so as to give them impact. This included an administrative reform to both subordinate the local bureaucracy to citizen demands and to protect the "chain of popular sovereignty" from outside influence. This latter step involved the creation of a cabinet-level special department above fiefdom-like municipal departments, as well as a decision to make the PB the only point of contact between citizenry and the local state. These administrative reforms made PB participation come closer and closer to effective control of the local state, to the point that a recurrent problem with those early PB experiments was that elected city councilors often opposed the process for feeling sidelined. In contrast, as an isolated *device*, it is defined as a set of procedures (how to run meetings, how to quantify preferences etc.) to rationalize and democratize the spaces of public opinion, giving voice and making societal decision-making transparent (features that were certainly present in the first version).

PB, in other words, has become de-coupled from the state or state reforms. By not incorporating the PB as *part of the administration*, but rather as an external tool that can influence it, its implementation becomes much easier. That is, it can sit *outside* of the state, and be very easy to implement. Thus, the story we tell in is not a simple "neoliberalization of participation," as some critics have argued. Rather, the story we tell is that even in spite of invocations of social justice by some of its implementers, over time Participatory Budgeting becomes de-linked from progressive institutional projects. It instead joins the loose toolkit of ideas for innovative good governance, part of the "fast policy transfer" that has described as characteristic of our era (Peck 2011).

The Partition of the Sensible: the Limits of an Isolated Device

[8] Devices, as part of public policy, "mix technical components (measuring, calculating, the rule of law, procedure) and social components (representation, symbol)." (Lascoumes and Le Gales 2007:4)

It has become common-place for critical scholars to attack , in blanket fashion, participatory institutions as providing a friendly facade to neoliberal reforms while fostering a sense of responsibility on communities for problems beyond their control. In our view, valuable as some of the specific critiques are, we do not find it useful to generalize from clearly hollow processes promoted by international agencies to all participatory institutions in all contexts as some authors do. Specific PB processes need to be evaluated in their context.

That said, reduction of Participatory Budgeting to an isolated technical device poses at least three dangers from the point of view of an emancipatory project. First, participation can become disconnected from the decisions that matter most to communities. (Mohan, 2001). As we have mentioned before, the tendency is for Participatory Budgeting to be implemented through the path of least resistance, to become connected to small and discretionary budgets. Second, Second, the relativity of the frames where power works and therefore the simplification of the potential for community empowerment (Kothari, 2001). Third, the use of participation as a technical solution, rather than as a political method of emancipation (Cleaver, 1999). Along these lines, some of the global studies on the experiences have been marked by the usual weak impact they have had on the dynamics of the municipalities (He, 2011; Sintomer et al, 2008), even when the experiences have been devised with an emancipatory rhetoric in mind.

Its expansion has taken place under a political frame connected to the problem of political disaffection, in which the involvement of citizens becomes an imperative. Perhaps this has enabled governments to institute participatory processes without having to accept a transformation of the administrative organization, while promoting the democratization of civil society. But can mean moving the social partners and changing their connections with government, though without changing the existing administrative logics.

Faced with these limits, Smith (2009) invites us to think about participatory budgeting in relationship to past practices, rather than against alleged unfulfilled promises. Participatory budgeting can certainly be an improvement on previous participatory practices by expanding the political subject, establishing and guiding deliberative procedures, and at least, letting citizens take a position on budget cuts. Sintomer (et. al., 2010: 8) points out that this is one of the few common denominators that we could find among the experiences in the world.

We agree to these hypotheses and have argued elsewhere that the democratization and empowerment of civil society is important (Baiocchi et al, 2011; Ganuza and Frances, 2012), but we should not assume this is automatic, as other studies have shown disappointing outcomes. (Talpin, 2011; Ganuza and Frances, 2011; Bassolli, 2011; Leuboldt et al, 2008). Recent research on the PB has analyzed its impact on civil society in Brazil (Baiocchi et al, 2011), China (He, 2001), Africa (Allegretti, 2011) or Europe (Ganuza and French, 2011, Talpin, 2011 .) All these studies show

that the process of democratization has generated mixed results. [9] At the same time the research has revealed that the processes of democratization have not involved themselves a democratization of the structures of power. As long as we understand the PB as a part of the administration, we feel that we can not analyze the impact of participatory budgeting in civil society without considering in turn its impact in administrative power structures.

In recent research by the authors, the promoters of PB processes justified the new participatory devices in their ability to improve administrative decisions, especially when they were compared to traditional participatory devices (Ganuza et al, 2012). The improvement would rely on deliberative processes, suggesting the need to create spaces where different views were cited, where each participant could speak freely and without coercion, making possible the exchange of arguments. The main risk of this is to turn participatory budgeting into a simple process of revelation of individual preferences, adjusting PB to the routines and the goals set by the New Public Management framework. This process could include a democratization of the actors who are able to participate in public policies, but participation is established out of any dimension of social justice. The political aim is mainly to put public offer in accordance to demand, a process in which citizens are a key factor to economic efficiency.

One clear consequence of the transformation of PB into a best practice has been the marginalization of social justice principles that inspired the initiative in the first place. Its principal justification now has to do with good governance and the universal participation, which fits well with the neutral and technical language of PB. PB, in this way, comes to be one of many tools available to make for good governance. 'Good governance' has come to signify those "things that enable a government to deliver services to its people efficiently," made possible by "combination of transparent and accountable institutions, strong skills and competence, and a fundamental willingness to do the right thing (Wolfowitz 2006:3)." From this perspective, PB becomes a good tool to promote greater accountability and give voice to citizens in public decisions, improving good governance from outside of the administrative machinery. Like many other tools for good governance, it is prized for its value-neutrality, its ease of implementation, and its ability to attract many different kinds of institutional stakeholders. PB is called for when there is a deficit in good governance. It is not surprising, then, that the PB is sometimes also treated as a redundant process. Anwar Shah, a

[9] Talpin (2011), for example, analyzed the deliberative performance in three European experiences, concluding that they all showed a deficit in its argumentative dynamics. He highlighted the lack of plurality, argumentative exchange and learning. Ganuza and Frances (2011) analyzed, meanwhile, the problem of inclusion and distribution of deliberative opportunities among participants in eight experiences in Spain. The work unveiled a considerable bias in participation, making it difficult to present a plurality of views in participatory meetings. However, these biases, which overlapped with those detected by Talpin (high presence of politicized participants, ideologically akin to the government parties and a demographic profile of middle and upper classes, as in most participatory processes) blur when we consider the distribution of opportunities within deliberative dynamics. There, participants, independently of their origin, ideology, profile or skill, equally involve in deliberative dynamics, which allows us to suggest that, in spite of the argumentative shortcomings, the deliberative context would be accepted by participants and facilitate their involvement over the differences between them. Talpin suggested that in a non coercitive scenario, the deliberation has a chance if conflict is possible, that it, when different beliefs are met.

World Bank expert on Participatory Budgeting argues that in a democratic setting, where there is the rule of law, the PB can be a costly repetition of institutions of representative democracy. He argues that, "if there is a democratic process, participation, if there is rule of law, then participatory budgeting is not needed." Only in absence of democratic participation, "*then* one has to have some sort of participatory process to hear the voices that have not been heard."[10] Shah's perspective is shared by many politicians in local governments elsewhere.

The democratization of civil society has some important implications in the organization of public opinion by incorporating a democratic reference in its formation. The fact that the PB had promoted a reform of the relationship between administration and civil society in democratic terms is no small matter. The risk that we are dealing with is the possibility that under this objective participatory budgeting becomes a different, but a well known participatory experience that leaves citizens think collectively about irrelevant issues from the standpoint of the administration of power, as it has been usual in the traditional participatory devices (Walker et al, 2012) and this turns the PB into an instrument of public service delivery, in direct competence with other ways of public service delivery. No wonder that PB had provoked conflicts with social organizations to compete with its logic of public action. From this perspective, PB becomes a different way of connecting rational preferences of individuals with administration rather than foster a second order preferences public debate about administration and the state.

Remembering Emancipation: Political Projects

The reduction of Participatory Budgeting to a set of procedures - ones that could be abstracted, translated, and introduced around the world, was necessary for its global travel and its political plasticity. But it came, in our view, at the considerable cost of its separation from administrative reforms and political projects. While the world of Participatory Budgeting implementers is often made up of people committed to social justice and redistribution, in experiences of Participatory Budgeting around the world social justice is usually a marginal consideration, and concerns for redistribution are often rare. Instead of political projects of which PB reforms are a part, PB becomes itself a platform around which people organize. In actually existing states, PBs tend to be implemented through the path of least resistance: ones that will find least resistance from bureaucrats or the interests of the powerful. PB processes over small discretionary budgets that previously attracted neither the attention of social movements nor of elites. In US cases, for example, PB processes have not aimed to decide over social service delivery, urban development, or TIFs. Rather they have been over urban infrastructure budgets. It should not be surprising, then, that a common refrain in US processes by social justice organizers is like what one organizer relayed to us:

> I don't care about the money. One million dollars is nothing to us, and it's a small drop of the city budget. And we can't really say we've ever really cared about 'menu money.' We're more interested in making sure we get

[10] Interview with Shah el 3 de agosto del 2009 en el WB, Washington DC

> the funding that we need for the projects that we care about for our constituents.

When asked why she was involved in the process at all, she went on to say,

> We see it [the PB] as an organizing tool. It will help our members learn more about the city budget and then we can press the alderman about TIFs, and we can move on to tackle the city budget.

We raise the question here of whether this is a realistic sociology of hope, or more precisely, whether in a paradoxical way PB can provide opportunities for citizens to go beyond its limits. PB *can* serve as a platform for learning. Political institutions are opened, in part, to a direct involvement of citizens, with tools and methodologies to facilitate this. Individual citizens finally come find an open space to express their needs and interests in connection with other citizens. But most of the time, it is a limited model of popular sovereignty, of a low profile within administrations and decoupled from a political project. Perhaps this is the reasonable limit of a model of PB in the current context, but we cannot consider here as the limit of the potential of participation. The logic of a participatory experience anchored in a direct process of decision-making *can* come to collide with institutional structures set up for something else. As the boundaries between "state" and "society" are not always self-evident, the question of where the citizen mandate ends and where expert prerogative begins with participatory decision-making, for example, can become a source of tension and potential point from which to push the boundaries of the process itself toward one in which participants decide on its terms and transform the horizons of actually existing states.