

Democratic Innovations In Brazil

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A success story

At a time in which governments are the least trusted institution after NGOs, business, and the media, thousands of new channels for citizen involvement in government are emerging across the world. These processes go further than electoral participation, increasing citizens' ability to monitor, regulate, and in some cases directly affect political decision-making. Labeled by scholars as "[Democratic Innovations](#)," these efforts retrofit existing democratic institutions by increasing transparency and promoting participation in politics that exceeds infrequent voting. Brazil's Participatory Budgeting (PB), one of the most successful democratic innovation, serves as an instructive petri dish for democracies looking to re-engage citizens, allowing constituents to control elements of government spending directly.

What is Participatory Budgeting?

A unique model of PB does not exist, the process adapts and reinvents itself according to different local conditions. The institutional design of PB varies but processes have some basic design features. This includes (1) public brainstorming to generate priorities and develop projects (2) filtering mechanism that eliminates unfeasible projects (3) voting (4) public commitment to implement selected projects (5) monitoring and evaluation process. Unlike other forms of public engagement that are consultative, PB is quasi-binding in nature. The process requires a strong public commitment from the city administration to implement the projects voted by the participants and thus induces significant political costs in case the expectations of participants are not met. The diffusion of ITC technology has also promoted the experimentation of PB programs that integrate online and offline channels of participation, or multi-channel PB processes.

An extremely successful engagement process

Since its inception in 1989, PB programs have shown that significant level of participation can be sustained over time by putting purse strings back in the control of citizens. In Porto Alegre, one of the most famous best practices, around 20,000 people have consistently participated every year since the mid-nineties. The process begun with only 900 participants in 1989, but as soon as citizens realized that they could directly affect public spending participation grew exponentially. Many participate only once or twice to secure the pet project they always desired (e.g., renovation of the school roof for their kids) and that had never entered in the radar of the city administration. Others keep participating year after year and become community leaders.

In general civil society organizations that work with minorities invest heavily in the process. Thus in many cases PB generates the surprising results of involving more women than men and a quite diverse spectrum of the population. Some scholars have theorized that the middle class has less interest in participating in the process because it has access to other channels to influence the allocation of local public goods and because has the resources to buy substitute services in the private market. Youth are also another category that is difficult to engage in PB processes.

To overcome the lack of participation of youth and professionals in recent years Brazilian PB processes have started to include online venues of participation. The objective of these new hybrid PB is to boost participation by reducing its cost, and promote participation among youth and professionals. However some worry the program might be overwhelmed by the online venue participants and end up representing only the voices of the so called 'usual suspects', richer and more educated individuals that are already engaged in traditional politics. Many believe, also, that face to face venues of participation provide richer opportunities for horizontal interactions among citizens, and thus worry that adding a new venue of online participation might simply transfer participants online.

In Brazil, the state of Rio Grande do Sul, in 2010 initiated the largest experiment of multi-channel PB to date engaging more than a million people every year. This PB process allows participants to propose projects, select the ones that will be included in the state budget and then monitor their implementation. While the proposal phase is conducted in person, the selection phase in Rio Grande do Sul offers both the possibility to vote online and face to face. In 2012 around 900,000 people voted in person, while around 130,000 voted online casting away the fears that the online venue could overwhelm the in person one.

A recent study by the World Bank Institute using an online survey embedded in the internet voting platform investigated the characteristics of online voters in the Rio Grande Do Sul PB process (Spada et al. 2015). The results uncover that the majority of online voters have never participated before and that, as expected, these online-only participants are mostly younger, educated, males that are familiar with social media.

Thus if turnout boosting and the involvement of disengaged youth and middle class citizens is an objective, then online voting appears to offer a solution. If instead a democratic innovation aims to provide a stronger voice to women, poor and uneducated strata of the population, then online voting should be considered carefully and should be accompanied by a social media campaign targeted to women and minorities to counteract the effect of digital divide on participation. Recent studies show that with the diffusion of smartphones and internet cafes the digital divide is less affected by internet access availability at home, and more affected by internet usage habits and thus can be mitigated by social marketing.

The effects of PB

Beyond the spectacular capacity to engage people year after year, a number of studies have shown that PB in Brazil correlates with a reduction in infant mortality rate, increased health-care and education spending, and increased numbers of civil society organizations. A recent experiment conducted in Russia also shows the potential for PB to increase the capacity of local government to collect taxes. An immense number of single case studies of PB best practices shows that good processes promote citizens' engagement, efficacy, voice, transparency, accountability, and lower corruption amongst other positive governance indicators. The case study literature is inevitably biased toward success stories, nonetheless it shows that, when PB processes work, they appear to generate positive results that are often difficult to achieve with other means.

The diffusion of PB

The incredible success of Brazilian Participatory Budgeting (PB) has generated a global diffusion of the process that is now adopted in more than a 1500 cities around the world (Sintomer et al. 2013). International organization promote the process as a best practice. Interestingly the process is supported by a growing non-partisan front. Progressive parties and organizations view the process as a mean to promote engagement among minorities and a more equitable distribution of public goods, city-officials perceive the process as a way to reduce protest and promote trust in local institutions, and politicians of all parties are starting to understand the potential of participatory engagement as a mechanism to expand and retain their base of support in between elections. The success is such that PB processes have started to appear in China, and in countries in which mayors are appointed (e.g., Chefferie in Cameroon). In the United States the process was first experimented in a district of Chicago in 2008, then in four district of New York City in 2011 and is now adopted in Vallejo, Boston and San Francisco among other municipalities. In New York City there are now 15 districts adopting PB. One of the first promoter of PB, Melissa Mark-Viverito has become the speaker of the New York City Council and has used the PB process to promote transparency in the allocation of discretionary spending to city council members.

Reasons behind the success of PB

Scholars that specialize on PB processes have offered a variety of reasons to explain its success. With regard its ability to sustain participation, many believe that citizens enjoy having direct control over the money that has been collected through taxation and having a say in public spending. PB processes focus on resources that appear to participants as a windfall. Participants for once are not asked to choose what to cut, or if they want a raise in local taxes to support a project, they are simply asked to provide ideas and projects to be implemented. Many PB reaching out campaigns capitalize on this psychological mechanism by using messages such as: How would you spend one million dollar? District representatives that have implemented PB in New York and Chicago have experienced significant electoral return. This is consistent with a

seminal study on Brazil that shows that parties implementing the process increase the probability of winning local elections by 9% (Spada 2010), albeit this advantage disappears over time.

Second, part of the success of PB is due to its unique design that allows citizens to get involved in different ways. The simplest mode of participation, that requires the least effort, is to participate only in the voting phase (3) that selects the projects to be included in the budget. However citizens can also decide to spend more effort in the process and participate in the brainstorming phase, the filtering phase or the monitoring phase. The diversification of potential activities that can be conducted within a PB process and the balance between effort and privileges is for some scholars one of the key elements behind the success of these processes (Spada & Allegretti 2012).

Third, PB processes are designed as friendly competitions in which the barriers to entry are really low and many can win a 'prize'. Most PB projects aim to approve as many small projects as possible and to satisfy as many participants as possible. Often to obtain the allocation of funding to a project it requires just a few hundred votes. Thus citizens themselves are able to achieve such target by mobilizing their social network. A vast literature on empowerment, that traces back to the work of Saul Alinsky, shows that achieving an easy target overcoming a collective action problem is a gateway to galvanize disenfranchised community and push them to achieve more complex goals.

Fourth, many best practices of PB emerge in cities in which political outsiders supported by the civil society win local elections. Thus, while it is extremely difficult to understand if this innovation has effects that can be separated from local conditions, what is clear is that the process is able to strengthen and galvanize and support political entrepreneurs, citizens, communities, and civil society. Best practices of PB allow these galvanized forces to refocus public spending priorities on what is really needed by the population by exploiting the wealth of local knowledge that the process generates and by countering austerity rhetoric with a renovated focus on democratic values and symbols.

Fifth, the case study literature on best practices of PB highlights how this process improves the capacity of city staff to respond to citizens' concern. Many political theorists, such as Carol Pateman, have always highlighted the capacity of participatory governance innovations to educate citizens. PB appears to also educate the bureaucracy and city staff to be more responsive.

Limits of the process

As all successful policy programs PB has become a brand in itself. Many cities now implement programs that are window dressing and lack some of the key characteristics that have made PB in a success story. Many cities for example implement a simple online survey on projects that had previously been identified by the city staff and call such process PB. According to some scholars window dressing processes might lead to disengagement, according to other scholars instead even such processes are better than nothing and they plant the seeds for future more radical processes that effectively allow citizens to decide how to allocate public funding. Interestingly when looking at the implementation data in Brazil there is some support for the seed hypothesis, around 10% of the cities in which the process is abandoned, restart the process again.

PB processes are also quite fragile. Almost half of them do not survive over time in Brazil. There is however some evidence that the quality of the PB process is correlated with its capacity to survive. A recent study on PB in Spain has uncovered that processes that are binding survive more than processes that are purely consultative.

Beyond PB

Democratic innovations such as PB go further than routine governance changes, and generate results that champions of older democratic reform models would envy. To date, PB initiatives have been enacted more than 1,500 municipalities worldwide: Peru, Poland, the Dominican Republic and the state of Kerala in India have laws that mandate the implementation of PB in all local government branches. Towns throughout all European countries have initiated participatory budgeting processes. China, Korea, Japan and Australia have many pilot processes. In Africa there is a growing number of PB initiatives, Yaoundé in Cameroon recently introduced the possibility of voting via SMS in its PB process. In the United States, both Chicago and Brooklyn have taken small steps toward including PB practices in city government, allowing citizens to have further domain over how their tax money is spent.

Although there is not yet conclusive data on the global success of PB, and some scholars believe that some of these processes are window-dressing, Brazil's efforts have been felt far and wide since 1989. Academics and researchers are working to compile robust data on democratic innovations, such as the online repository Participedia.net, to categorize best practices. Sensing a need for broader citizen engagement, Brazilian leaders tried PB and created a more robust and communicative model of democratic deliberation. Public trust in government may be plummeting, but Brazil's efforts might provide a way for officials to redeem themselves. Improving governance will not happen overnight, but incorporating the lessons from Brazil can help toward strengthening the democratic institutions we need more than ever to tackle interconnected, global public problems.