



Participatory democracy in Europe

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

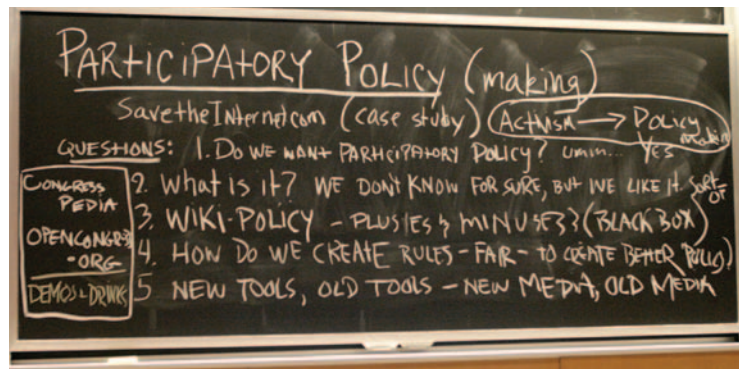
Participatory budgeting has found a more fertile breeding ground in Germany, which since reunification in 1989 has implemented a variety of direct democracy measures, such as the 'citizens' initiative' and referendums. It is estimated that there are around 200 local referendums held in Germany each year.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

While there has been limited success in the evaluation of how public services are provided, there remains a problem with the low level of participation. Few citizens attend the meetings held twice a year – only 277 in Lichtenberg, a

borough of 256,000 – and this limits the impact that participatory democratic measures can have on overall management. As it stands, participatory budgeting in Berlin has served mostly

as a source of information for citizens: it 'allows citizens to understand the financial situation in which their community finds itself', says Carsten Herzberg, from the Centre Marc Bloch in Berlin. 'The example of Porto Alegre, designed to mitigate the social inequalities and the absence of the redistribution of wealth in particular quarters, is not used at all as a model for the German participative experience.'

France has been somewhat less successful in



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

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

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

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

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

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

Funding is also an issue for British towns, as they must rely on money granted to 'partnerships' – in which the private sector is often dominant – to finance local projects. This is demonstrated in the spread of public-private partnerships (the involvement of the private sector in public finances) throughout the UK, everywhere from



a project to improve street lighting in Brent to the maintenance of the railways. This form of participatory budgeting is especially likely to emerge in countries with a strong neoliberal bent, as is also evident in Poland's adaptation of PB measures.

The most widespread form of participatory democracy and budgeting throughout Europe appears to be 'democracy in proximity', in which centralised states hope to bring government closer to the people by introducing local councils and regional seats. In this model, at work in France and, to an extent, Portugal, citizens remain a listening-post, with no real participative power. It is countries that have stayed closest to Porto Alegre's model that have had the most success in getting actual citizen input into policy decisions, and where the introduction of participatory budgeting has resulted in the improvement of impoverished areas of cities which, under previous budgetary methods, had been neglected.

Jax Jacobsen