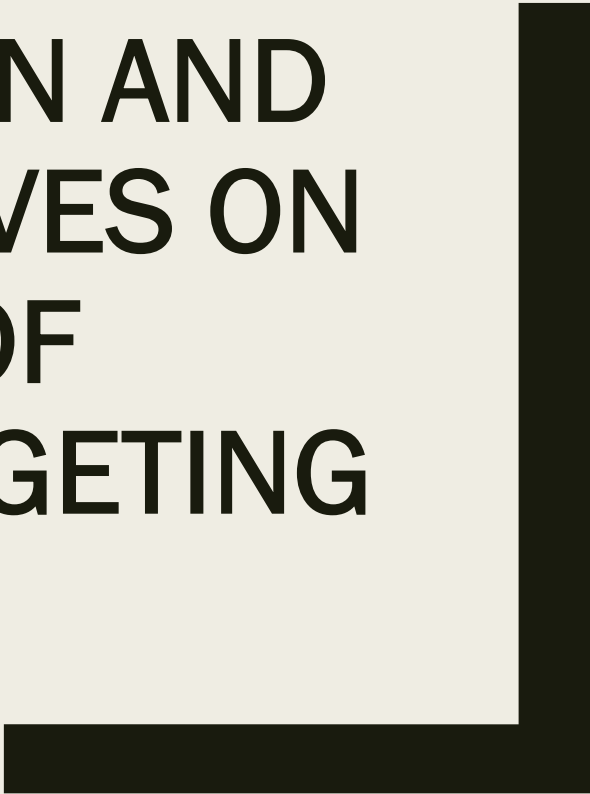




# **UTOPIAN, DYSTOPIAN AND REALIST PERSPECTIVES ON THE MODELS OF PARTICIPATORY BUDGETING**

Mikko Rask  
Politics of Co-creation, 7.2.2020





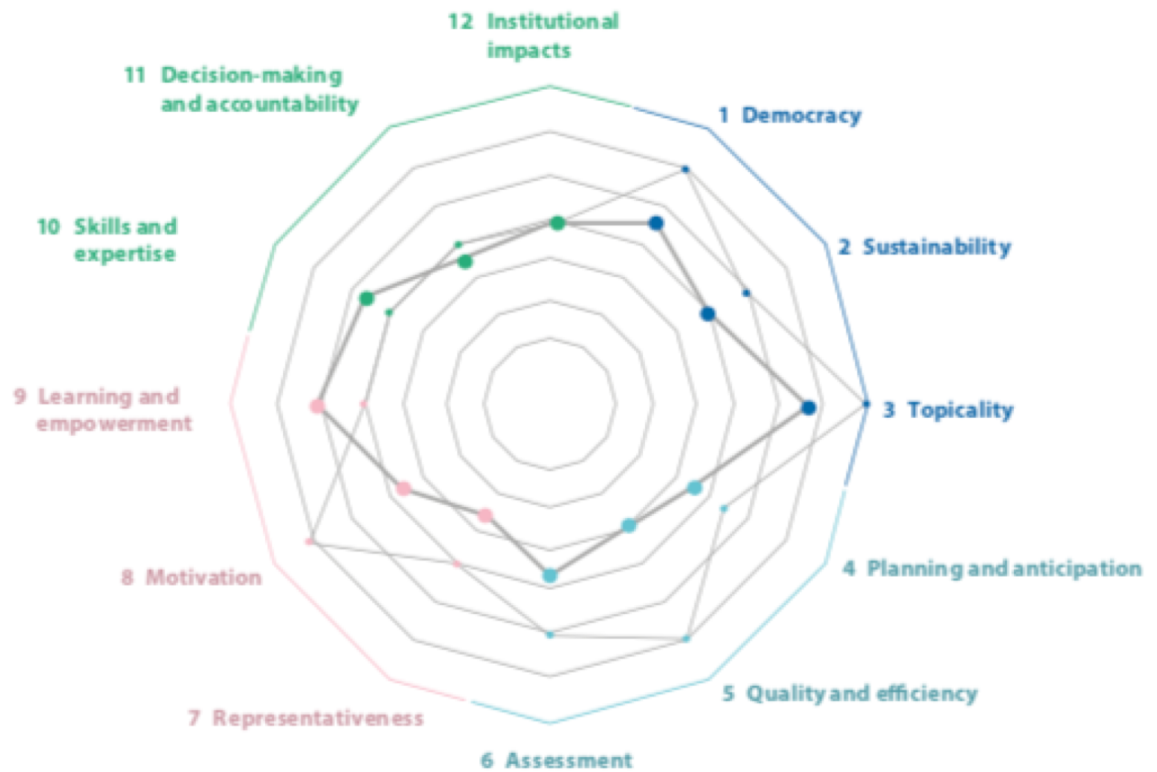
# ackground

- Evaluation of participatory budgeting (PB)
- Realization that ideologies still may have a hold on activities
- Challenge: How to evaluate in a balanced, "realistic" manner?

# Our evaluation

## WHAT DOES THE CO-CREATION RADAR ENABLE?

The co-creation radar can be used to establish at a glance the key strengths and areas for development of public participation. Figure 4 shows how different participation profiles can be compared using the radar.



# THE OTHER EVALUATION

**HELSINGIN  
SANOMAT**

- Eeva Luhtakallio ja Emilia Palonen,  
HS 8.10.2018

"Helsingin osallistuvan budjetoinnin mallista uhkaa tulla demokratian irvikuva"

"...tasavertaisuus toteutuu huonosti."

"...asukkaan toiveet muokkautuvat tai suorastaan vesittyvät virkamiesten kanssa tehtävän 'yhteiskehittämisen' aikana."

"Esityksessä korostuu pormestarin rooli äänestykseen edenneiden hankkeiden sinetöijänä. Tämä kohta jo yksinään vesittää budjetoinnin 'osallistavuuden' ja suoran demokratian..."

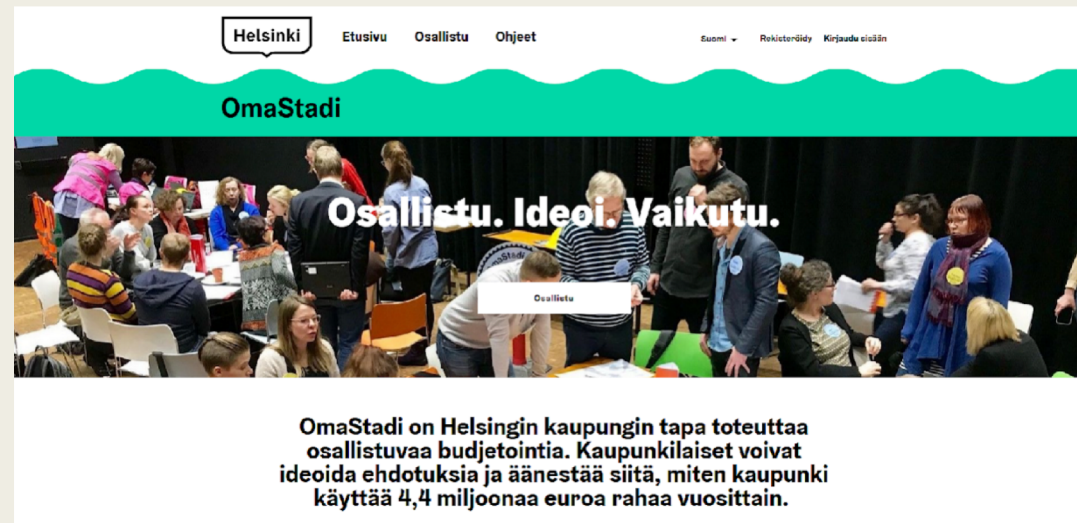
## Our evaluation

# Finland as a Leader in Democracy and Crowdsourcing



Oodi- world's best new public library in 2019 is in Helsinki, Finland

based on 2,000+ crowdsourced ideas



The Local  
Government Act  
(Kuntalaki) 2015



Mikko Rask, Osallisuuden ja vuorovaikutuksen neuvottelukunta 29.1.2020

## The other evaluation



### Miten “osallisuus” voi Suomessa?

- Suomi on osallistuvan demokratian kehitysmaa
- Suomalaisen demokratian “kaava”: paljon kansalaisyhteiskunnan edustuksellisuutta, vähän kansalaisten omaehtoista, kriittistä aktiivisuutta
- Taina Meriluoto & Tapio Litmanen (2019): ”(Suomessa) osallistamistoimien lähtökohtana on useimmiten keksiä keinoja kansalaisen aktivoimiseksi sen sijaan että pyritäisiin muuttamaan päätöksentekojärjestelmää tai hallinnon toimintatapoja.”
- Osallistuminen on tyypillisesti **projekti**, jonka toteuttamiseen suunnataan resursseja, mutta lopputulosten arviointi ja jälkihoito usein unohdetaan

# Content

- What is realist thinking?
  - *Technorealism*
  - *Realism in international politics*
- Role of ideology in participatory budgeting
- Six model of PB in Finland
  - *What are the ideological implications or are there?*
- Reflection: How to aim at realist or 'objective' evaluation?

# Technorealism

- Douglas Rushkoff and Andrew Shaphiro, early 1990s
  - *Frustrated by the highly polarized reaction toward the Internet*
- Techno-utopists:
  - *Internet liberates communication and emancipates people; and contributes to an information society and a new post-industrial economy*
- Dystopics or neo-luddits:
  - *Internet leads to a loss of privacy, social polarization, fake news, bullying, pornography, illegal issues, information overload*



# Technorealist manifesto (1998)

- “An attempt to assess the social and political implications of technologies so that we might all have more control over the shape of our future.”
- Principles:
  - *1) Technologies are not neutral, 2) The Internet is revolutionary, but not Utopian, 3) Government has an important role to play on the electronic frontier, 4) Information is not knowledge, 5) Wiring the schools will not save them, 6) Information wants to be protected, 7) The public owns the airwaves; the public should benefit from their use, 8) Understanding technology should be an essential component of global citizenship.*

# Realist PB manifesto?

- 1) PB processes are not neutral, 2) PB is revolutionary, but not Utopian, 3) Government has an important role to play on the PB frontier, 4) PB is not knowledge, 5) PB at schools will not save them, 6) Information/PB ideas? wants to be protected, 7) The public owns the airwaves/Decidim platform?; the public should benefit from their use, 8) Understanding technology/participatory democracy? should be an essential component of global citizenship.

# Technorealist were mainly against luddits

"The Internet's ability to network human beings is its very life's blood. It fosters communication, collaboration, sharing, helpfulness, and community... The ideas, information, and applications now launching on Web sites around the world capitalize on the transparency, usability, and accessibility that the internet was born to deliver".

Douglas Rushkoff, 2002

Wikipedia article on 'cyber-utopianism'

# Realism in international politics

- An **approach to the theory and practice** of international relations, based on a pessimistic view of human nature (smith, 1986) -> an effort to develop a general theory of the essence of politics among nations
  - *Weberian vision of politics as an unending struggle between nations*
- Unlike technorealists, realists in international politics were against ideological utopists!
  - *A contrast to the utopian illusions of liberal internationalists and naïve moralists*
    - *yet reflecting a truer understanding of the people and states*

Smith, M. J. (1986). Realist Thought from Weber to Kissinger. Louisiana State University Press, Baton Rouge and London.

# Ideological links to PB

- Definitions
- Origin and evolution
- Praxis
  - *Goals, Actors, Tools and methods, Outcomes*
- Method:
  - *Article review + reflection*

# Relevant articles

Ganuza, E., & Baiocchi, G. (2012). The power of ambiguity: How participatory budgeting travels the globe. *Journal of Public Deliberation*, 8(2), 8.

Ganuza, E., & Francés, F. (2012). The deliberative turn in participation: the problem of inclusion and deliberative opportunities in participatory budgeting. *European Political Science Review*, 4(2), 283-302.

Godwin, M. (2018): Studying participatory budgeting: democratic innovation or budgeting tool? *State Local Gov. Rev.* 50, 132–144. <https://doi.org/10.1177/0160323X18784333>.

Sintomer, Y., Herzberg, C., Röcke, A., & Allegretti, G. (2012). Transnational models of citizen participation: the case of participatory budgeting. *Journal of Public Deliberation*, 8(2), Article-9.

# Definitional aspects

“PB stands out as both a civic engagement and budgeting innovation because members of the public generate and then vote on funding proposals.”

Godwin (2018)

a) Democratic innovation

“participation of non-elected citizens in the conception and/or allocation of public finances.”

Sintomer et al. (2012)

b) Direct democracy

1. Discussion of financial or budgetary processes.
2. The involvement of the city level.
3. Repetition of the process over years.
4. Involvement of specifically arranged public deliberations.
5. Some level of accountability regarding the results of the PB process.

c) Deliberative democracy

# PB strongly oriented at deliberation

Brasilian (Porto Alegre) minimizing voting centrality:

“Public decision-making processes in most Brazilian instances have been organized on the basis of a multi-stage process in which decisions are adopted progressively. Deliberative and preference-averaged procedures are mixed to obtain a measured decision. In this way, the process attempts to reduce the influence of voting, including a deliberative procedure in which citizens not only bargain for their interests, but must also evaluate the distribution of scarce resources in the best possible way within the municipality.”



# Brazilian leftist origin

“It is apparent that PB’s origins are as a democratic innovation. PB also has been more of a political and social movement than other civic engagement efforts. The perception of PB as a leftist Brazilian political reform may offer an explanation for why diffusion to the United States took twenty years and why diffusion has been led more by political leaders, activists, and academics than local government professionals.” (Godwin, 2018)

Originally PB was a tool for administrative reform

# Utopist discourse on PB prevailed early

## **Positive experiences from Porto Alegre experiences**

The social characteristics of participants are even more striking: **lower income people** tend to be more involved than others, women have become a majority in the assemblies, and young people are very active (Fedozzi, 2000). PB gives the floor to those who previously had been outsiders in the political system. It has led to the **empowerment of civil society** and, most notably, of the **working class** (Baierle, 2007). **Clientelistic structures have largely been overcome**, and relations between the political system and civil society have improved considerably (Avritzer, 2002). In addition, PB has led to a reorientation of **public investments towards the most disadvantaged districts**, at least those investments decided within the participatory process (Marquetti and al., 2008; Mororo, 2009): **primary health care was set up in the living areas of the poor**, the number of schools and nursery schools was extended, many streets in the slums were asphalted and most households now have access to water supply and waste water systems. This has come about because of the significant working class investment in the process, and because it has contributed to an improvement of public services and infrastructure.

Syntomer et al., 2012

# PB as a policy instrument vs. device

Our argument in this essay is straightforward. There are two phases in the travel, with a dividing line in the late 1990s. In the first phase, PB traveled as **part of a set of comprehensive administrative reforms**...Scholars (Lassoés and Le Gales, 2007). influenced by science studies make a distinction between *policy instruments* and *devices*.

PB was actually recognized as a best practice at the UN Habitat Istanbul meeting of 1996. The description of the best practice at that moment, and at subsequent iterations, was a simplification: PB was defined as sequence of meetings premised on universal participation and a fair and transparent decision-making. Ideas about state reforms as necessary conditions for establishing PB all but disappeared, and the close connection between participation and administration was severed. In fact, the logic was turned on its head: **Participatory Budgeting was now understood as a device that itself could help improve administration rather than device within a set of reforms to administration**. Instead of pointing to fiscal reforms as a pre-condition to PB, increased revenues were now sometimes framed as an outcome of PB.

- Ganuza and Baiocchi

# Hypothesis H1: main ideological question is whether PB is an instrument of political transformation or administrative device

“But the most salient concern about PB is the ambiguous relationship to the administration. In most cases, the implementation of PB has been outside of the administrative machinery, not as a way to transform governing, but a new way to link administration and civil society. The logic of a participatory experience anchored in a process of decision-making on public affairs can come to collide with institutional structures set up for something else. Many administrations promoted PB as an alternative to the existing connectors between civil society and administration, but without transforming the latter. Participatory Budgeting was then expected to achieve desired outcomes (to improve the administration, for example, or to increase citizen trust), regardless of changes in administrative organization. This has also been a source of tremendous confusion.”

Ganuza and Baiocchi, 2012

# What is at stake with H1?

- Civil society organisations -> policy
- Policy -> civil society organisations
- Bottom up vs. top down
- Possibility to choose?

“The big difference between the two countries lies in the aims pursued. Although in Brazil, PB is an instrument for achieving a more equitable distribution of public funds, and also for democratization (Avritzer, 2006), in Spain, it has been mainly a tool for modernizing the state by improving relations between those who govern and those who are governed by increasing citizen engagement in public administration .”

Ganuza and Frances, 2012

# H1 involves a dystopic vision PB, which is based on an utopian vision of civil society

The emphasis on structured consensus building in PB processes could result in a “banality of politics” that combines with technology to disconnect the public further from substantive influence or genuine conflicts over community priorities (Baiocchi and Ganuza 2017, 49). – Godwin, 2018

If earlier, utopian versions of civil society theory (cf. Cohen and Arato, 1992) imagined social movements as connectors between public opinion and public policy, with **PB it was the administration that established and regulated those communication channels. But it did so on its own terms.** Participatory Budgeting translated the wishes that emerged in grassroots democracy into a technical and rational language, and into sensible projects that could be weighed against each other in a transparent way, thus helping citizens present their needs.  
- Ganuza and Baiocchi, 2012

## H2: Size is related to ideology

While participants view the process favorably, stakeholders increasingly recognize that the total amounts devoted to PB need to increase to achieve more substantive outcomes.

- Godwin, 2018

Nabatchi and Leighninger (2015, 312) note that PB is vulnerable to criticism that “citizens are distracted by one small slice of the public pie while public officials and special interests divvy up the rest.” Nevertheless, they conclude that there are positive spillover effects because PB promotes cultures of accountability.

- Godwin, 2018

Corollary: €30,000 is not enough to create a policy instrument, but is 0,1% of the budget?

# Ideological malleability

In the European context, Spain is the country where PB has been most experimented (Sintomer et al., 2011). The first experience was in 2001, in the city of Cordoba, and has now expanded to more than 50 different cities all over the country. **Most PB experiences have been launched by left political parties; however, most experiences since 2007 have been launched by conservative political parties.** Both left and right political parties accept PB as a decision-making process.

- Ganuza & Francés, 2012

Like many other tools for good governance, PB today is prized for its **value-neutrality**, its ease of implementation, and its ability to attract many different kinds of institutional stakeholders.

- Ganuza and Baiocchi, 2012



Other implicitly ideological features?



# Current drivers of policy change

In recent years, the theory of democracy has undergone a shift towards the theory of deliberation (Manin, 1987; Bohman, 1998; Dryzek, 2000).

All of these reforms sought to increase the transparency of public management in order to enhance democratic legitimacy, by (1) improving accountability, which seeks to make executive responsibility more transparent and (2) increasing participatory processes.

- Ganuza & Francés, 2012

# Participants: positive or negative discrimination, or neutrality?

Gilman (2016a, 73) makes a useful distinction between **usual suspects** (those already participating at high levels), **active citizens** (those open to increasing their participation), and **new citizens** (those who have not previously participated). PB processes largely succeed in the goal of involving more than the usual suspects, including the addition of noncitizens and young persons. PB participant surveys generally report that strong majorities have not previously been involved in community activities, although participants are often regular voters in city elections.

- Godwin, 2018

The conclusions tell us that the inequalities in participation are significant... We may question whether the administration can guarantee impartial political spaces that are as inclusive as possible.

- Ganuza & Francés, 2012

American PB processes have increased civic participation from previously uninvolved residents

- Godwin, 2018

# Six types of Finnish PB

Budget appropriation	Saving focussed	Target groups	Region or object of intervention	Theme of sector	Other/ innovative
Percentage/ per mille Fixed sum	Identifying and prioritizing targets of savings	Young people Marginalized or disadvantaged groups	City district Region Park, street Library, common space	Safety Communality Well-being Ecology	Local councillors' ten thousand (Tohmajärvi) Mayor's crowdfunding Hybrid funding

# Conclusions: how to exercise realist PB evaluation and take ideologies into account

- R#1 Recognize ideologies, the role of CSOs in particular!
- R#2 Recognize Big political decisions that are (6 model based)
  - *size, funding model, positive discrimination, level or region, innovation vs. natural focus,*
  - *Distinguish between political and administrative level decisions*
- R#3 Don't jump to conclusion before empirically analyzing 12 Co-creation radar aspects
- R#4 Aim at comprehensive evaluation
  - *Multi criteria, multi perspective*

